



PROGRAMME DOCUMENT

SMALLHOLDER SUSTAINABILITY UPSCALING PROGRAMME

PHASE II (2025-2029)



Schweizerische Eidgenossenschaft
Confédération suisse
Confederazione Svizzera
Confederaziun svizra

Swiss Agency for Development
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LUXEMBOURG
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ABBREVIATIONS AND ACRONYMS

ADA	Appui au Développement Autonome
AVC	Agricultural Value Chain
AVCA	Agricultural Value Chain Actors
CASA	Commercial Agriculture for Smallholders and Agribusiness
CFS	Committee on World Food Security
CGAP	Consultative Group to Assist the Poor
CGIAR	Consultative Group on International Agricultural Research
CSAF	Council on Smallholder Agricultural Finance
DFI	Development Finance Institution
ESG	Environmental, Social and Governance
FAO	Food Agricultural Organisation
FASA	Financing for Agricultural SMEs in Africa
FC	Funder Committee
GAfSP	Global Agriculture and Food Security Program
GPFS	Global Programme for Food Security
HLPE	High-Level Panel of Experts of the Committee on World Food Security
IFAD	International Fund for Agricultural Development
IFC	International Finance Corporation
IISD	International Institute for Sustainable Development
IKI	International Climate Initiative
I&P	Investisseurs & Partenaires
KM	Knowledge Management
KPI	Key Performance Indicator
LED	Liechtenstein Development Service
LDC	Least Developed Country
LuxDev	Luxembourg Development Agency
M4P	Making Markets for the Poor
MFA	Luxembourg Ministry of Foreign and European Affairs, Defence, Development Cooperation and Foreign Trade
MIN	Microinsurance Network
NGO	Non-Government Organisation
Norad	Norwegian Agency for Development Cooperation
PPDP	Public-Private Development Partnership
RAI	Principles for Responsible Agricultural Investment in Agriculture & Food Systems
SAFIN	Smallholder and Agri-SME Finance and Investment Network
SC	Steering Committee
SDC	Swiss Agency for Development and Cooperation
SDG	Social Development Goal
SF	Smallholder Farmer
SH	Smallholder Household
SSA	Sub-Saharan Africa
SSNUP	Smallholder Safety Net/SustainAbility Upscaling Programme
TA	Technical Assistance
TAC	Technical Assistance Committee
TAF	Technical Assistance Facility
USAID	United States Agency for International Development



GLOSSARY

Agricultural value chain actor (AVCA)	Agricultural value chain actors (AVCAs) are defined in this document as organisations involved in the various stages of the agricultural production process, from input supply and farming to processing, marketing, and distribution, as well as any organisation supporting those entities, such as financial intermediaries or other service or equipment provider ¹ . They are aggregators working with large numbers of farmers. Contrary to usual, farmers are not considered among agricultural value chain actors in this programme but separately as the key target group.
Agrifood system	Agrifood system is defined as all interconnected activities and actors involved in getting food from field to fork, including all actors involved in agricultural value chains (from input suppliers to end consumers), as well as providers of technical, business or financial services to agricultural value chain actors, public and private financiers of agriculture, local and international agricultural policy makers, etc.
Beneficiary organisation	A beneficiary organisation is an AVCA that is an investee or potential investee of partner impact investors who are benefiting from a TA project. They can be divided into three categories: (1) SMEs (involved in the value chain such as input producers and suppliers, off-takers of agricultural produce, processors or wholesale/export traders with large distribution/sourcing networks, or various types of services or equipment providers, such as agricultural equipment providers, AgTechs, etc.), (2) farmer co-operatives, associations, and apex organisations, and (3) agricultural/rural financial intermediaries.
Impact investor	An impact investor is defined in this document as an asset manager that manages one or multiple investment funds seeking to generate positive social and environmental changes while also ensuring a financial return. The term impact investor also includes the Technical Assistance Facility (TAF) which is a unit that works alongside the investment team to provide technical support, expertise and advisory services to the investees, and potential investees.
Investee	An investee is defined as an organisation that has received capital from an investor in exchange for equity, debt, or other forms of financial return.
Smallholder household (SH)	A smallholder household is the key target group of SSNUP as the smallest economic entity managing a farming area of 5 hectares or less. It constitutes the most important first-level outcome indicator for SSNUP.
Smallholder farmer (SF)	SSNUP uses CGAP (2018) definition of smallholder farmer: a smallholder farmer is the one who possesses equal to or less than 5 hectares of land, or 50 heads of cattle, or 100 goats, sheep, and pigs, or 1,000 chicken.
Small Medium Enterprise (SME)	An SME meets two of the three indicators in accordance with the IFC definition : (1) between 10-300 employees, (2) between € 80,000 - €13,230,000 in total assets, and (3) between € 80,000 - € 13,230,000 in total annual sales.
Local Service Provider	A local service provider is a national/regional organisation or expert that delivers specialised support and services to beneficiary organisations, such as training, consulting, coaching and/or infrastructure development, to help implement projects.

¹ The scope of AVCAs in SSNUP corresponds to the scope of “Agri-SMEs” as described by SAFIN (The Smallholder and Agri-SME Finance and Investment Network) and ISF (Initiative for Smallholder Finance) in their [Agri-SME taxonomy published in 2021](#). Financial intermediaries and other service or equipment providers fall into the “Services” category in this taxonomy, in opposition to cooperatives and SMEs involved in production, post-harvest and transport, processing or trading which fall into the “Input and offtake” category.



PROGRAMME OVERVIEW

Programme name	Smallholder Sustainability Upscaling Programme (SSNUP)	
Target countries	All countries included in the DAC List of ODA recipient countries are eligible, however, the priority region remains sub-Saharan Africa with at least 60% of the programme's TA budget to be allocated to the region, and not more than 10% to Upper Middle Income Countries ² .	
Funding organisations	<ul style="list-style-type: none"> - Luxembourg Ministry of Foreign and European Affairs, Defence, Development Cooperation and Foreign Trade (MFA) - Swiss Agency for Development and Cooperation (SDC) - Liechtenstein Development Service (LED) - Other bilateral, multilateral funders or DFIs that will join the programme 	
Partners	<ul style="list-style-type: none"> - Impact investors and their respective Technical Assistance Facilities (TAFs) - Knowledge management and dissemination partners - Programme coordinator (ADA) 	
Programme description	<p>SSNUP is a public and private development partnership programme, which is essentially a blended finance initiative, that aims to leverage the knowledge and relationships of impact investors to co-fund technical assistance projects benefitting agricultural value chain actors (AVCAs) that contribute to the programme's objectives (see Global objective – Phase II).</p> <p>In addition to the main component of funding and monitoring TA projects of impact investors, the programme also aims to ensure that the knowledge, data, and lessons learnt from these projects are shared and disseminated with the wider sector/community.</p>	
Outcomes	<ol style="list-style-type: none"> 1. Smallholder households - Sustainable improvement of productivity, income and resilience. 2. Agricultural value chains - Sustainable growth of agricultural value chain actors through sales or portfolio growth, job creation, attraction of additional investments and adoption of sustainable management practices. 3. Investments - Increased investments in untapped and underserved agricultural markets. 4. Agrifood system - Adoption of sustainable food production (i.e. relying on agroecological principles, processing, distribution and consumption practices, contributing to climate resilience, food security and nutrition). 	
Beneficiaries	<p>Final beneficiaries: Smallholder households</p> <p>Intermediary beneficiaries: Agricultural value chain actors (AVCAs)</p>	
Project duration:	<p>Ten-year programme</p> <p>Phase I: July 2020 – April 2025</p> <p>Phase II: May 2025 – April 2029</p> <p>Phase III: 2029 – 2030 (closing)</p>	
Budget	Phase II: € 23,202,800, of which nearly € 18.7 million will be directly funded by SSNUP (please note that there still remains around € 6.2 million to be raised to meeting the target of direct SSNUP funding).	
New in Phase II	<ul style="list-style-type: none"> - Agrifood system approach - De-risking mechanism - Incentives for Least Developed Countries (LDCs) 	<ul style="list-style-type: none"> - Priority topics - TA category definition - Capacity building for investors - Technical Assistance Committee composition

² Based on the World Bank Classification.



1. INTRODUCTION

1.1. CONTEXT

Smallholder farmers in developing countries represent a substantial portion of the global agricultural workforce which is estimated at around 1 billion people. This represents more than a quarter of all the people in employment in the world of which around 475 million are households involved in small-scale farming. By supporting smallholder farmers, development initiatives can address the root causes of poverty, create substantial impacts on local and national economies, and promote environmental conservation and resilience against climate change. Despite their significant contributions, smallholder farmers face numerous challenges that hinder their productivity and overall well-being. And while it is generally agreed that traditional agricultural practices have a negative impact of the environment exacerbating the climate crisis and leading to the contamination of water sources and soils, harming biodiversity and disrupting ecosystems, there is a need to promote more sustainable, nutrition-sensitive and environmentally friendly agricultural practices. The scale of the problem is immense, given the sheer number of households dependent on small-scale farming for their livelihoods and the vital role they play in ensuring food security and environment conservation in their respective regions.

The risks faced by smallholder farmers are multifaceted and pervasive. Smallholder farmers often lack access to essential resources such as quality seeds, fertilisers, and modern farming equipment. This lack of access hampers their ability to adopt improved agricultural practices and innovative technologies that could enhance their productivity. Furthermore, smallholder farmers are vulnerable to market fluctuations and price volatility, which can severely impact their earnings and economic stability. And finally, extreme weather events, exacerbated by climate change, pose a significant threat to their crops and livestock, leading to unpredictable yields and income instability. The combination of these risks creates a precarious situation for smallholder farmers, making it difficult for them to break the cycle of poverty.

The agricultural sectors in developing countries suffer from chronic underinvestment, exacerbating the challenges smallholder farmers face. Smallholder farmers are often linked to the market through umbrella organisations or aggregators such as farmer organisations, SMEs (buyers, collectors, processors, transporters, distributors, and exporters), and financial intermediaries (bank and non-bank financial institutions). In African agriculture, in particular, it is estimated that SMEs contribute to 80% of food production and trade and 50% of all jobs.

However, SMEs financial needs are far from being met and they are often referred to as the missing middle. Insufficient investment in agricultural enterprises and necessary infrastructure, such as irrigation systems, storage facilities, and transportation networks, limits the efficiency and reach of agricultural production. Moreover, financial services tailored to the needs of smallholder farmers, such as affordable credit and insurance, are often inaccessible or inadequate. This lack of investment not only stifles the potential for growth within the agricultural sector but also leaves smallholder farmers ill-equipped to cope with the various risks they encounter. Addressing these investment gaps while focusing on developing services for

Smallholder resilience

Smallholder resilience refers to the ability of small-scale farmers to withstand, adapt to, and recover from various shocks and stresses. These can include environmental challenges (such as droughts, floods, and climate change), economic pressures (like price volatility or market disruptions), and social factors (such as health crises or conflicts).

Resilience in this context means that smallholders can maintain or improve their livelihoods, continue agricultural production, and sustain their well-being despite these challenges. Building resilience often involves improving access to resources, diversifying income sources, adopting sustainable farming practices, strengthening community networks, and enhancing access to financial services, such as insurance or credit.



smallholder farmers is critical to enhancing their productivity and ensuring long-term food security in developing countries.

Several significant initiatives exist alongside SSNUP to address the issues mentioned above. These include:

- The **Global Agriculture and Food Security Program (GAFSP)** is a multilateral financing initiative that addresses food insecurity in low-income countries by providing grants, loans, and technical assistance to agricultural projects. It supports public and private sector investments to increase agricultural productivity, improve rural livelihoods, and enhance food security.
- The **Commercial Agriculture for Smallholders and Agribusiness (CASA)** Programme focuses on making the agriculture sector more inclusive by bridging the gap between smallholders and commercial agribusinesses. It facilitates investments that benefit smallholder farmers, helping them to access markets and integrate into larger value chains, thereby enhancing their income and resilience.
- The **TechnoServe Coalition for Smallholder Sourcing** is a collaborative initiative that works to improve smallholder farmers' access to markets by connecting them with large agribusinesses and providing them with the necessary tools, training, and resources to meet market demands.
- **ACELI Africa** is a market-based initiative that incentivises lending to small and medium-sized agribusinesses in Africa by sharing risks with financial institutions, thereby increasing the flow of capital to underserved segments of the agriculture sector. In order to direct capital flows towards the most impactful companies, ACELI has recently introduced higher financial incentives for loans to borrowers that meet criteria related to gender inclusion, food and security and climate resilience. Additionally, ACELI also acknowledges that financial incentives will not be enough to grow the market if SMEs lack management capacities and has therefore included technical assistance for SMEs in its approach³.
- **FASA** (Financing for Agricultural SMEs in Africa) is a multi-donor fund of funds designed to invest catalytic capital (first loss) in African investment funds supporting small and medium-sized agricultural enterprises. FASA was launched at the end of 2024 by the Norwegian Agency for Development Cooperation (Norad) and the United States Agency for International Development (USAID) and is managed by I&P (Investisseurs & Partenaires).

While the objectives of all these initiatives are similar, the intervention approaches are different but complementary with that of SSNUP. While SSNUP focuses on scaling up financial and technical support to smallholder farmers and AVCAs, these initiatives enhance SSNUP's impact by providing complementary resources, technical assistance, and market linkages. Together, they create a more robust ecosystem that supports sustainable agriculture, improves food security and climate resilience, and strengthens the resilience of smallholder households and businesses across developing regions.

Even though these initiatives, including SSNUP, are independent, ensuring complementarity and avoiding overlaps is made possible thanks to the participation of representatives of some of these initiatives (in particular CASA, ACELI and SSNUP) to the CSAF (Council on Smallholder Agriculture Finance) network and its Agri-SME Learning Collective initiative.



1.2. BACKGROUND

SSNUP is a ten-year multi-donor Programme (2020-2030) co-financed by the Swiss Agency for Development and Cooperation (SDC), the Ministry of Foreign and European Affairs, Defence, Development Cooperation and Foreign Trade (MFA) of Luxembourg and the Liechtenstein Development Service (LED).

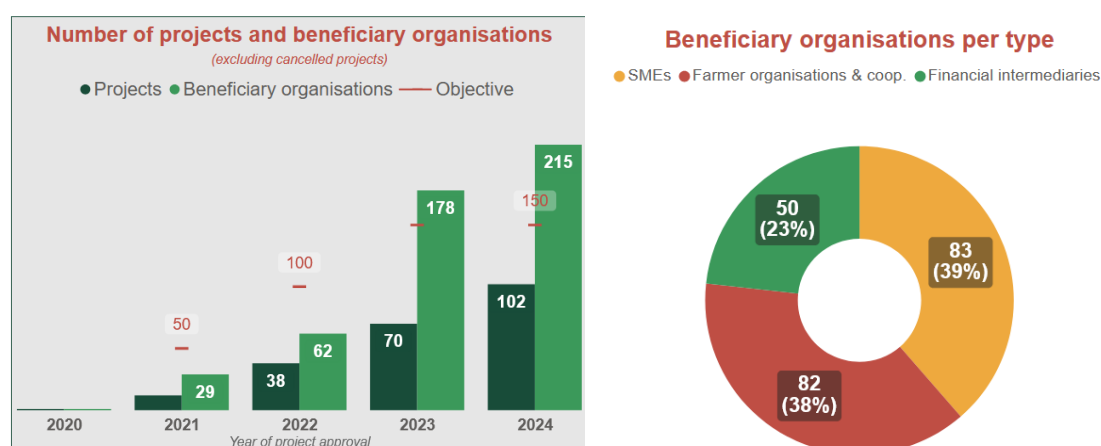
The programme was developed to leverage the knowledge and networks of the Technical Assistance Facilities (TAFs) belonging to selected impact investors active in agriculture and rural finance to fund technical assistance (TA) projects that strengthen agricultural value chain actors and develop tailor-made agricultural financial and non-financial products and services, ultimately improving the resilience of smallholder farmers and their households.

1.2.1. PHASE I (JULY 2020 – APRIL 2025)

The first phase of the Smallholder Safety Net Upscaling Programme (SSNUP) can be described as a success and the data illustrates it is continually building momentum and contributing to a gap in funding for strengthening AVCAs and developing additional services for smallholder households. The programme was implemented with 9 partnering impact investors: AgDevCo, Alterfin, Bamboo Capital Partners, Fondation Grameen Crédit Agricole, Oikocredit, Incofin, ResponsAbility Investments AG, Solidarité Internationale pour le Développement et l'Investissement (SIDI), Symbiotics.

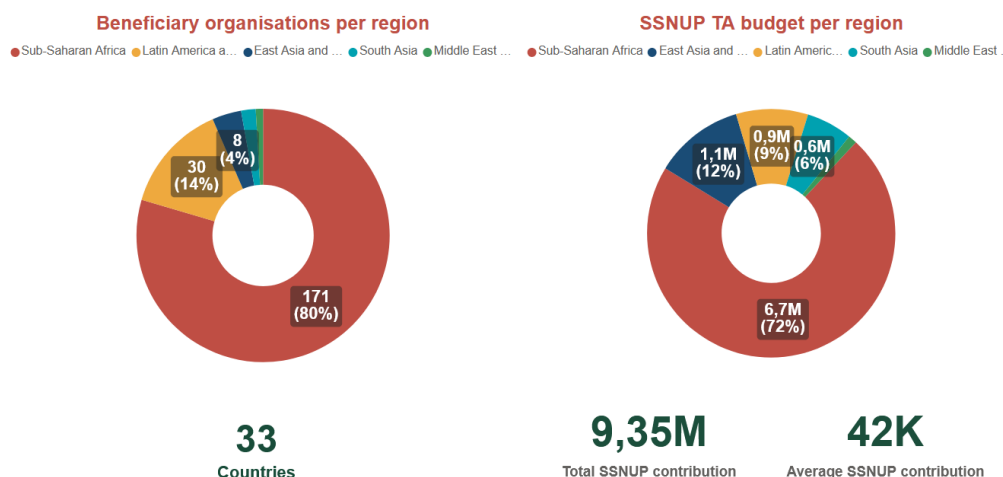
Launched in July 2020, the programme faced initial challenges due to the COVID-19 pandemic as impact investors were initially focused on managing their investment portfolios, which led to delays in TA project submission. After four years, however, there has been significant progress, with investors improving their capacity and efficiency in designing, developing and implementing TA projects co-funded by SSNUP.

In terms of the implementation status, 102 TA proposals benefiting 215 AVCAs in 33 countries have been approved (December 2024). These projects cover various areas such as internal management, financial services, non-financial services and market-building solutions, and benefit a wide range of organisations. As illustrated in the below figure, a relatively balanced share of the types of organisations supported can be seen with farmer cooperatives representing 38%, followed by SMEs at 39% and financial intermediaries at 23%. Several projects involved more than one beneficiary organisation, reaching a total of 215, i.e. 143% of the target.



(Data as of 31/12/2024)

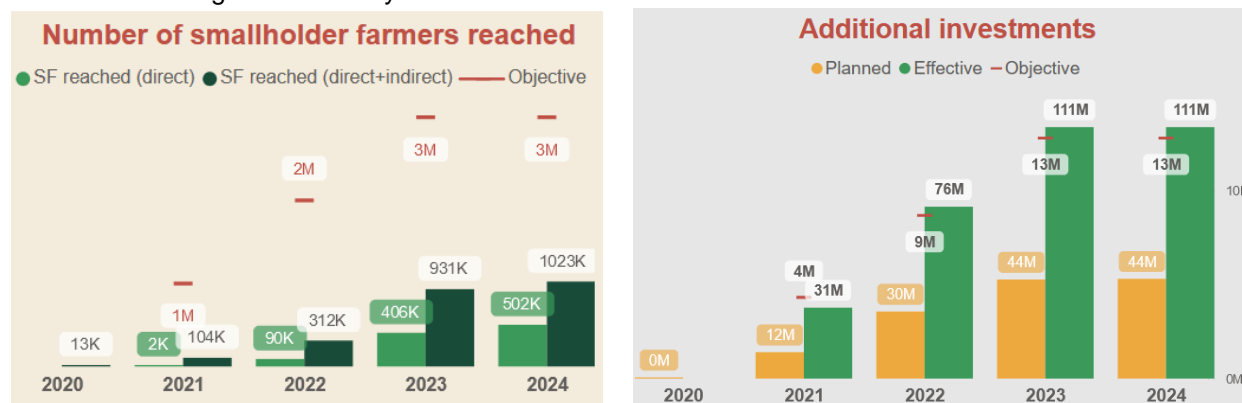
In terms of geographical distribution, TA projects were implemented in 33 countries (December 2024) with a clear focus on sub-Saharan Africa (SSA), where, as the figure below illustrates, 171 out of the 215 (80%) beneficiary organisations are located. From a budgetary perspective too, the figure shows that 72% of the TA funding is destined for SSA with the other regions representing the remaining 27%.



(Data as of 31/12/2024)

One of the key objectives of the programme was to reach 3 million smallholder households. As of June 2024⁴, 1,022,567 smallholder farmers directly or indirectly benefiting from the support provided to the AVCAs. The number of smallholder households directly reached with a new or adapted service developed through the TA projects stands at 501,412 with one year left to get closer to the original objective. It must also be noted that of the 102 TA projects approved, 65 are still ongoing and whose final results have not yet been quantified. The number of smallholder households reached by the organisations supported however is significantly higher, but they are not direct beneficiaries of the TA projects.

In terms of additional investment, the investees supported by SSNUP attracted over € 111 million in additional investment⁵, surpassing the expected € 44 million. However, although the investors' portfolio has expanded, it is complex to attribute this outcome directly to the implemented TA projects due to various factors influencing investment dynamics.



(Data as of 30/06/2024)

⁴ Information on smallholder farmers reached and additional investments comes from TA project bi-annual reports that are shared by impact investors with SSNUP coordinator between 4 and 5 months after the end of the reporting period. Indeed, impact investors first need to collect and check data from organisations benefiting from TA before sharing them, which always requires a few months.

⁵ Additional investments are defined as investments in debt or equity acquired by beneficiary organisations after the launch of the TA projects (co-)financed by SSNUP. In most cases, only information on additional investments made by SSNUP impact investors is available. In most cases, additional investments are the result of several internal and external factors that cannot be easily disentangled. As a consequence, neither beneficiary organisations nor impact investors are able to assert that additional investments are fully attributable to TA, even though TA can in certain cases play a role. Therefore, in SSNUP Phase I, total additional investments were reported, whatever the level of contribution of TA. In SSNUP Phase II, beneficiary organisations will be directly interviewed after each TA project to better assess this level of contribution as well as to get more exhaustive information about additional investments acquired from both SSNUP impact investors and other capital providers.



On the topic of leveraging additional funding, the programme was able to leverage much more TA funding not only from the beneficiary organisations (who contributed to the TA projects more than what was initially anticipated), but also from other resources, such as other TA facilities or other donors. The initial expectation was that SSNUP would provide 80% of TA project funding, while in reality it has been more around the 50% mark. This illustrates the programme's ability to attract and leverage additional funding for the TA projects and essentially do more with less funding. More information in the [Annex 10 – Financial leverage diagram](#)

Knowledge management is an integral component of the programme, facilitated through collaboration with external consultants and partners such as the Council on Smallholder Agricultural Finance (CSAF) and the International Institute for Sustainable Development (IISD). Various knowledge products have been developed and disseminated, including thematic studies, beneficiary surveys and knowledge-sharing workshops.

Programme evaluation

An evaluation of the programme's first phase was conducted from October 2023 to April 2024, which found that the programme plays a crucial role in addressing sector demands at various levels thanks to its intervention strategy. The strategy focuses on the one hand on the needs and priorities of investors and stimulating agricultural investment, and on the other hand addressing specific challenges faced by smallholders and agricultural value chain (AVC) actors.

The report resulted in a number of conclusions and recommendations of which the main ones have been summarised below:

- The initial objectives of the first phase were mostly met, however some objectives may have been over-ambitious. For example, the number of smallholder households reached with a new or adapted service has not yet been met. A reassessment of objectives based on the experience of the first phase is necessary to set more realistic targets.
- Processes to approve TA projects were designed to be flexible to ensure they met market needs and realities and avoid a top-down approach. This flexibility, although highly appreciated by the impact investors, has sometimes led to inconsistencies in terms of what is eligible and what is not. Based on the experience of the first phase, these processes will be revised on a continuous basis to improve efficiency and transparency. Creating a system of incentives and reassessing investors' participation in the programme according to compliance with programme objectives are also recommended.
- In order to strengthen the impact of the programme on de-risking investments in agriculture, especially in volatile or high-risk environments, it is recommended to develop or integrate existing complementary instruments that help de-risk investments on top of TA to have a more holistic and complete approach.
- Knowledge management plays a crucial role in enhancing the impact of TA projects and the results of the products produced so far by the programme have been very positive. Nonetheless, this component should be strengthened further by continuously refining the approach with new targeted products and channels to ensure effectiveness in engaging stakeholders and disseminating knowledge.
- As one of the strengths of SSNUP lies in the creation of a community of investors and funders, the programme should enhance its potential to become a prominent entity in the agricultural investment space that can contribute to investment growth while addressing challenges and weaknesses in AVCs by engaging with key external stakeholders involved in agricultural investment and technical assistance support with a clear strategy.



All the conclusions and recommendations of the Phase I evaluation have been taken into account in defining Phase II, e.g., in the logical framework and targeted indicators, in the design of additional de-risking mechanisms, and in the knowledge management and dissemination activities.

1.3. PERSPECTIVES

In order not to interrupt project proposals between phases, projects can be approved up until the end of Phase I in April 2025. It must be noted that all Phase I projects, no matter when they were approved, must be completed by October 2026.

	2020	2021	2022	2023	2024	2025	2026	2027	2028	2029	2030
Phase I											
Phase II						Phase I ongoing project					
Phase III (closing)							Phase II projects and other activities				

Phase II projects will be approved as of May 2025 until April 2029. During these four years, the programme is expected to reach an additional 1 million smallholder households by supporting 250 AVCAs through at least 12 impact investors.

Phase III (2029 - 2030)

At this moment, it is envisaged that Phase III (2029 - 2030) will be a period in which all SSNUP projects and activities will come to an end, meaning that as of May 2029, no new projects will be approved under the programme. Please note that a budget of around € 600,000 has been estimated for the 2 years of Phase III, which will include the monitoring and closure of all TA projects, and the collection and dissemination of relevant data, lessons learnt and best practices. This budget is not included in this Phase II proposal or budget.

2. PROGRAMME FRAMEWORK

This chapter provides an overview of the programme's global objective, priority topics, theory of change, various stakeholders and their roles, and finally, the programme's KPIs.

2.1. GLOBAL OBJECTIVE (PHASE II)

The SSNUP programme, renamed the Smallholder SustainAbility Upscaling Programme, aims to improve the livelihoods of smallholder households within sustainable agrifood systems, by strengthening their resilience, income and productivity through a systemic agricultural value chain development approach promoting socially, economically and environmentally sustainable practices, from agroecological production to nutritious food consumption.

This systemic and holistic approach, which necessitates the generation of outcomes at the various levels of agrifood systems, will ensure the overall objective is achieved and can be broken down into four specific outcomes:

Smallholder households: to improve smallholder livelihoods, it is essential to enhance their productivity, income and resilience by using innovative and adapted solutions that enable them to adopt sustainable production practices, meet their needs and are provided by the AVCAs they interact with. In an effort to build more local and sustainable value chains with positive outcomes for consumers and smallholder, a greater emphasis will be placed on agroecology and nutrition-sensitive investments.



Agricultural value chain actors: to ensure a sustainable provision of solutions to smallholder farmers while contributing to the development of sustainable agrifood systems, it is essential to support AVCAs throughout the entire chain, from food pre-production to distribution and consumption, especially those interacting with smallholder farmers and facilitate their growth. This support will result in more resilient agricultural value chains, increased sales or portfolio expansion, job creation, attraction of additional investment, and the adoption of socially, economically and environmentally sustainable management practices, which can be driven by technical assistance projects and/or potential complementary de-risking mechanisms.

Investors in agriculture: as providers of TA to their current or future investees (the AVCAs mentioned above), as users of potential complementary investment de-risking mechanisms and as participants in a community of practice to share experience and knowledge, investors in agriculture are expected to change their risk perception and investment practices. This will result in increased investments in untapped and underserved sustainable agricultural markets, thereby contributing to meeting the financing gap in the sector.

Agrifood system as a whole: to ensure the medium-term effects of the programme at a larger scale, meeting the conditions for appropriation of lessons learnt and replication of good practices by various actors involved in agrifood systems is necessary. To do so, the programme plans to involve local service providers as much as possible in technical assistance projects to strengthen local ecosystems and ensure appropriation at local level, as well as to identify and disseminate lessons learnt and good practices among key local and international players involved in the development of agrifood systems.

New in Phase II

- Agrifood system approach
- Priority topics
- De-risking mechanism
- Incentives for topical and geographical incentives
- TAC composition
- TA category definition

2.2. PROGRAMME APPROACH

The approach of SSNUP is based on the concept of blended finance, which was recognised as a solution to the funding gap to meet the Sustainable Development Goals during the Third International Conference on Financing for Development in Addis Abeba in July 2015. Indeed, the approach of SSNUP consists in strategically using public development funds to increase private capital flows towards the agricultural sector in emerging and frontier markets, in order to increase the resilience of smallholder households and support the development of sustainable agrifood systems. Given the financing gaps estimated at USD 170 billion per year to meet the needs of smallholder farmers in low-income countries⁶ and USD 106 billion per year to meet those of Agri-SMEs in sub-Saharan Africa and Southeast Asia⁷, blended finance appears as a relevant approach.

To catalyse these private capital flows, the approach of the programme consists in relying on impact investors⁸, who not only can contribute to fill this funding gap but also have a deep knowledge of the target local agricultural markets. They are therefore particularly well positioned to identify the most sustainable investment opportunities. However, the existing funding gap is not only due to a lack of financing supply, but also to shortcomings on the demand side: local agricultural value chain actors, which are expected to be the recipients of such private capital flows, often need to strengthen their management capacities and/or to offer more responsible and impactful services to the smallholder farmers they interact with in order to be able to absorb higher impact capital amounts.

⁶ ISF, 2019. *Pathways to Prosperity*

⁷ ISF, 2022, *The Current State of Agri-SME Finance Sector*.

⁸ See section 2.3, paragraph “Impact investors” to know more about these actors.



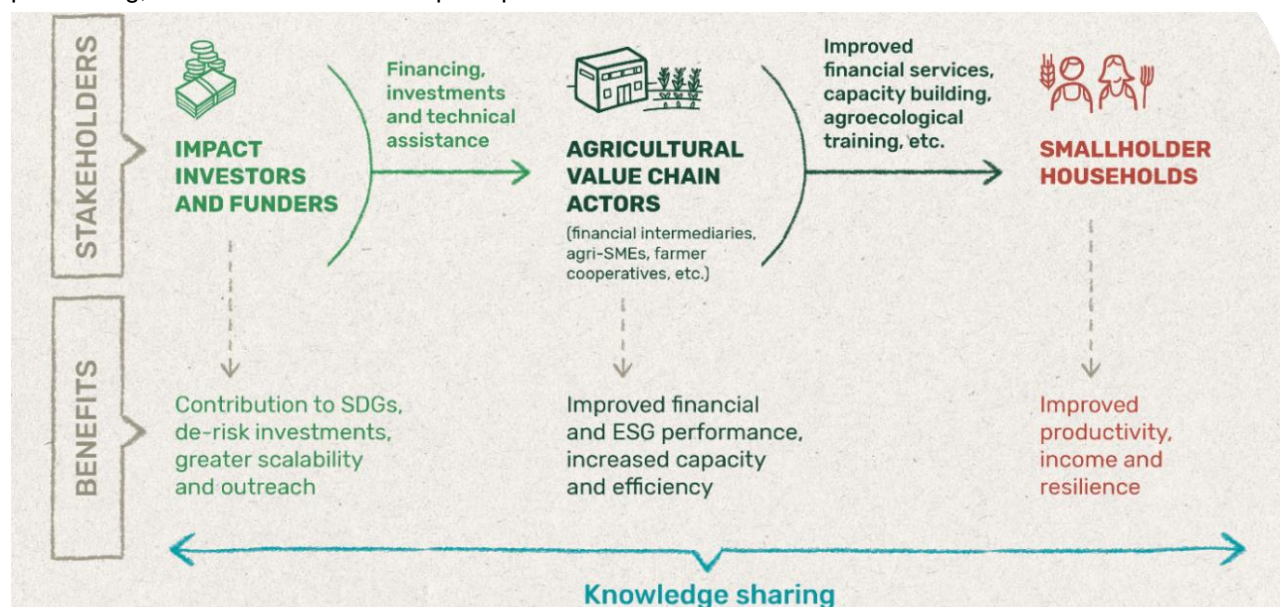
This is where SSNUP comes in: the programme aims to build on the knowledge and relationships of impact investors to co-finance technical assistance (TA) projects designed by impact investors themselves for the agricultural value chain actors (AVCAs) that are their current or potential investees. Providing such TA to AVCAs is expected to strengthen their management capacities and help them be more impactful towards the smallholder farmers they interact with, which should therefore minimise the risks of investing and make AVCAs more attractive for any capital provider. Therefore, whether pre- or post-investment, TA is often considered as a key derisking tool by impact investors and consequently plays a significant role in the investment decision. The types of TA projects vary substantially to ensure the needs of not only the AVCAs, but also those of the smallholder households are being met. Therefore, TA projects range from developing risk mitigation solutions to fostering the adoption of sustainable and resilient farming practices in line with agroecological principles for farmers to promoting more responsible and sustainable business practices for AVCAs.

As a result, the impact investors can de-risk their investments thanks to the TA projects and thus further support their investees' business expansion ambitions with debt and/or equity while also complying with international norms and principles for responsible investment in agrifood systems.⁹

However, as widely recognised in the impact investing sector, a single tool is often not sufficient to initiate a change in investment practices: while ACELI recently completed its financial incentives with TA to unlock capital towards local Agri-SMEs, SSNUP Phase II will follow the same logic by completing its offer of TA funding with complementary mechanisms.

In particular, SSNUP Phase II will develop additional services/mechanisms, which include financial de-risking mechanisms as well as capacity building for investors, to further encourage and enable investors to make investments in underserved or untapped markets and ultimately improve the resilience of smallholder households.

In parallel to the abovementioned activities, the programme's knowledge management activities will ensure all the lessons learnt, recommendations and data collected through the impact investors are consolidated, packaged and shared with the wider sector to promote the adoption of sustainable food production, processing, distribution and consumption practices.



⁹ Like for example, the CFS-FAO Principles for Responsible Investment in Agricultural and Food Systems (RAI) - <http://www.fao.org/3/a-au866e.pdf>



2.3. MAIN STAKEHOLDERS

The stakeholders play a vital role in the funding and implementation of the programme and are fundamental to its success.

The table below lists the stakeholders included at the level of the programme and at the level of the projects.

Target beneficiaries	<ul style="list-style-type: none"> - Final beneficiaries: Smallholder households - Intermediary beneficiaries: Agricultural value chain actors (AVCAs) that are impact investors' current or potential investees, including: <ul style="list-style-type: none"> o Farmer organisations and cooperatives¹⁰ o Financial intermediaries o SME's¹¹ <p>Please see detail: 3.2.1 Beneficiary organisations</p>
TA providers	<ul style="list-style-type: none"> - Local and international service providers (individual consultants or companies)
Programme coordinator	<ul style="list-style-type: none"> - ADA
Direct partners of programme coordinator	<ul style="list-style-type: none"> - Impact investors and their Technical Assistance Facilities (TAFs) - Knowledge management and dissemination partners
Programme funders	<ul style="list-style-type: none"> - Luxembourg Ministry of Foreign and European Affairs, Defence, Development Cooperation and Foreign Trade (MFA) - Swiss Agency for Development and Cooperation (SDC) - Liechtenstein Development Service (LED) - Other bilateral, multilateral funders or DFIs that will join the programme
Technical Assistance Committee (TAC)	<ul style="list-style-type: none"> - Expert representative from the programme funders - Expert representative from ADA not involved in the screening of projects

The implementation strategy map offers an overview on how the programme will be set up and the relationships between the various stakeholders, please see [Annex 1 – Implementation map](#) and [Annex 2 – Institutional setup](#)

The two types of direct partners of the programme and the programme funders are listed below with a brief overview of who they are and the roles they play in the programme.

Impact investors

Impact investors are entities who allocate capital to investments with the dual aim of achieving financial returns and generating positive social and/or environmental impact. These entities play the role of fund managers. They usually manage several impact funds in which private and public investors have invested capital (Development Finance Institutions, foundations, financial institutions, other institutional or individual investors), each impact fund targeting specific impact objectives as well as financial returns which are expected to be below market rate or risk-adjusted market rate¹². The transaction costs of investments

¹⁰ Cooperatives, associations, self-help groups, producer organisations, farmer-based organisations, etc.

¹¹ An SME meets two of the three indicators in accordance with the [IFC definition](#): (1) Between 10-300 employees, (2) Between € 80,000 - € 13,230,000 in total assets, and (3) Between € 80,000 - € 13,230,000 in total annual sales.

¹² GIIN, Definition of "impact investing" on their website: <https://thegiin.org/publication/post/about-impact-investing/#how-do-impact-investments-perform-financially>, accessed on February 9, 2025.



(which include canvassing, due diligence costs, investment monitoring costs, etc.) are covered by financial returns.

In general, impact investors also manage “technical assistance facilities” (TAF) alongside these impact funds. TAFs represent another source of financing, usually provided by public or philanthropic donors, and are managed separately from impact funds. Contrary to impact funds which are allocated in the form of loans or equity investments to investees, TAF funds are allocated in the form of grants to investees, to cover the costs of technical assistance projects which are expected to help them strengthen their management capacities and/or develop or improve products and services for end-beneficiaries. Designing and implementing TA projects imply additional transaction costs (time allocated to project design, procurement, project monitoring and advising, reporting, etc.). As TAFs are managed separately from impact funds, these TA project transaction costs are not covered by the financial returns generated by investments. In general, a part of the funds provided by public donors to the TAF are dedicated to covering these transaction costs: these are “management fees”.

In the context of SSNUP, impact investors can enhance their portfolios by using SSNUP as a TA facility dedicated to several impact investors at the same time (contrary to most TAFs which are usually dedicated to one impact fund managed by one impact investor). This common TA facility enable impact investors to (co-)finance high-impact TA projects that can reduce their investment risks while also having substantial social and environmental benefits, such as improved livelihoods and improving climate change resilience.

In general, their role in SSNUP manifests in various ways such as providing capital for investment, leveraging their networks for additional funding, sharing their knowledge of the markets and established partnerships, and contributing expertise to optimise programme outcomes.

More specifically, **impact investors**:¹³

- Identify needs and design TA projects for approval by the TAC.
- Implement approved TA projects.
- Provide quantitative data and qualitative information on both their investment and TA activities.
- Are voting members of the Steering Committee (1 vote per investor).

Funders & bilateral development agencies

Funders, also known as donors, are entities that provide financial resources to support initiatives aimed at achieving specific social, economic, or environmental goals. Their vision typically involves fostering sustainable development, reducing poverty, promoting human rights, and addressing global challenges such as climate change or inequality. These organisations range from governments (bilateral or multilateral), philanthropic foundations, international organisations, to private donors.

In the context of SSNUP, the funders are national ministries or bilateral development agencies. The programme supports their mission to foster the development of sustainable and climate resilient agrifood systems and private sector development in the agricultural sector.

Their role goes beyond just the financing of the programme as they also play a pivotal role in the steering of the programme by being a voting member of both the Funder Committee and the Steering Committee. They also have a representative in the [TA Committee](#), the body that approves the TA projects, who will be nominated by the lead donor. See the [Governance](#) section below for more details on these committees and their roles.

¹³ See [Annex 8 - Investor eligibility criteria, process and budget](#)



More specifically, **funders and/or bilateral development agencies:**

- Provide the funding for all (or specific) activities in the programme.
- Are voting members of the Steering Committee (1 vote per funder).
- Are voting members of the Funder Committee (1 vote per funder).
- Are represented in the TA Committee.

Knowledge management & dissemination partners

The knowledge management and dissemination partners are organisations that specialise in the collection, organisation, analysis, and sharing of information, best practices, and lessons learned. Their interests lie in linking different experts, contributing to the global knowledge base, and influencing positive change through the dissemination of evidence-based findings.

Within the context of SSNUP, their involvement is crucial for amplifying the impact of the programme by promoting best practices, facilitating knowledge exchange, and ensuring that lessons learned are applied in other contexts to drive broader systemic change. They will also strengthen and contribute to the learning agenda of the programme and help disseminate the knowledge management (KM) products to the relevant actors throughout the agrifood system.

More specifically, **knowledge management and dissemination partners:**

- Contribute to the various knowledge management products.
- Co-create content and co-organise events and workshops.

Programme coordinator

The programme is coordinated by ADA and is responsible for the following tasks:

- Overall coordination:
 - Relationship with the SSNUP stakeholders.
 - Communication on the programme vis-à-vis the general public, responding to the specific information needs of the different funders, incl. the management of the SSNUP website.
 - Advise the investors on all the processes, documentation and eligibility criteria related to TA.
 - Organise the Steering Committee and Funder Committee meetings.
 - Coordinate the external evaluation of the programme, which will take place in Q3-4 2028.
- Monitor TA operations of the investors and manage the SSNUP reporting process (i.e., by collecting relevant information from the investors, and preparing the annual SSNUP report).
- Manage the knowledge management component of SSNUP.
- Provide SC members with strategic and technical advice on the overall strategy of SSNUP: impact framework, eligibility criteria for TA projects, identification and selection of new investors, priorities for the knowledge management component, policy dialogue partners, etc.
- Assume the financial and administrative management of SSNUP by managing the SSNUP disbursements to the investors, monitoring the fund utilisation, preparing annual financial reports for the funders, organising external audit of the SSNUP escrow account, and so forth.
- Participate as a support member in the TA Committee.



2.4. GOVERNANCE

The programme is governed through an agile, efficient, and proactive governance framework, which consists of two main committees:

- **Steering Committee (SC)** - The SC is the highest decision-making body of the programme and is composed of the funders and the impact investors with each organisation having one vote. In order to safeguard the link between the TA funded projects and the investment strategies of investors, it is advised that the representative from the investors is a senior investment officer or portfolio manager rather than someone from the TA facility. The committee meets twice a year, and its role includes:
 - Ensure the programme's strategy and objectives are still relevant and take strategic decisions to guarantee the programme's direction.
 - Monitor the implementation of the programme and the objectives by reviewing and approving the annual report prepared by the coordinator.
 - Steer the knowledge management and dissemination component, which is managed by the coordinator.
- **Funder Committee (FC)** – The FC (previously known during Phase I as the participants to the Pre-SC meetings) is composed of the funders who have committed over € 1 million to the Phase II of the programme. Each funder organisation has one vote. Funders who have committed less than € 1 million can participate in the committee but will not have a right to vote. Programme information will be shared with the FC every quarter with meetings organised when necessary. The role of the FC includes:
 - Review the Programme Dashboard¹⁴, including approved projects on a quarterly basis.
 - Support fundraising activities by making connections and approve new funders.
 - Approve new impact investors to the programme.
 - Approve new processes, policy changes such as incentives.
 - Review yearly action plans and annual reports before approval by the SC.
 - Be a sounding board for the coordinator for new ideas and initiatives.

2.5. GEOGRAPHICAL FOCUS

The programme aligns its geographic focus with the DAC List of ODA recipient countries¹⁵, meaning that all countries on the list can access funding from SSNUP. Nevertheless, the priority region is sub-Saharan Africa and the UN's [Least Developed Countries](#) (LDCs). Therefore, the following specific requirements¹⁶ need to be met at the programme level:

- The objective of reaching 70% of the programme's TA budget allocated to sub-Saharan Africa has been set, with a minimum threshold of 60% below which it will not be possible to fall.
- No more than 10% of the programme's TA budget can be allocated to Upper Middle-Income Countries (UMIC) as listed on the DAC list of ODA recipient countries.



¹⁴ The Programme Dashboard will consolidate and present the data from the programme in graphical formats.

¹⁵ [DAC List of ODA Recipients \(2024\)](#)

¹⁶ Please note that these requirements are at the level of the programme and therefore may differ with each investor which will be reflected in the bilateral agreements between ADA and the individual investors and will depend on their portfolio geographical distribution, TA pipelines, etc. [Calls for projects](#), open to impact investors not part of SSNUP, could provide the opportunity to strengthen the programme's focus in sub-Saharan Africa.



2.6. PRIORITY TOPICS

While the programme continues to remain market-driven to meet the needs on the ground, additional focus on a number of priority topics in Phase II aims to give additional strategic direction to the programme and include the entire agrifood system.

SSNUP will encourage projects that make significant contributions to one or several of these priority topics. However, all TA projects supported by SSNUP, at the very least, will be expected not to prejudice (or have a detrimental effect on) the priority topics, following a “do no harm” approach. In practice, all TA project proposals will be required to justify how they will contribute to, or why they will not prejudice, each of the following priority topics based on detailed criteria which will be provided in the TA project proposal templates.

These criteria have been identified on the basis of widely recognised resources and references. In particular, the **agroecological principles defined by FAO¹⁷ and by the High-Level Panel of Experts (HLPE) of the Committee on World Food Security¹⁸** (both lists of principles being aligned), as well as the Agroecology assessment framework¹⁹ defined by the Agroecology coalition and the interventions listed in FAO’s publication on **Nutrition-sensitive agriculture and food systems in practice²⁰** were used as references to define the criteria to identify projects directly contributing to the four priority topics.

Any **project fulfilling the listed criteria and/or benefiting an organisation that already fulfils the criteria** will be considered as directly contributing to the priority topic. Beyond the following short definitions, initial **detailed criteria per priority topic** are available in [Annex 9 – Priority topics criteria](#).

In the same way, these references will be used to identify the safeguards preventing SSNUP from financing projects that could have a detrimental effect on these priority topics. These safeguards will be applicable to all projects.

Any project corresponding to one of the listed red flags (available in [Annex 9 – Priority topics criteria](#)) will not be financed by SSNUP.

2.6.1. ENVIRONMENT AND CLIMATE CHANGE

SSNUP aims to support TA projects that promote production practices ensuring agricultural biodiversity, soil health, water preservation and conservation, and climate change adaptation and mitigation in accordance with **agroecological principles relating to environmental objectives (strengthening resilience and improving resource efficiency)**. Such practices include diversification of crops, animals, and trees; integration of crops, livestock, fish, and trees (agroforestry); minimisation of external inputs, synthetic fertilisers and chemical pesticides; biomass and nutrient recycling; use of local seeds and genetic resources as much as possible; use or production of renewable energies, etc.

2.6.2. FOOD SECURITY AND IMPROVED NUTRITION

SSNUP aims to support TA projects that ensure **diversified, safe and nutritious food is available, affordable and accessible in adequate quantities for vulnerable populations** in intervention countries. This includes projects directly supporting the production, processing, distribution and/or consumption of diversified, safe and nutritious food (as defined by international organisations²¹) in local markets, such as fruits, vegetables, cereals, animal products, etc. The projects that could indirectly contribute to food

¹⁷ FAO, 2018. [The 10 elements of agroecology](#).

¹⁸ HLPE, 2019. [13 principles of agroecology](#).

¹⁹ Agroecology coalition, 2023. [Agroecology assessment framework](#).

²⁰ FAO, 2017. [Nutrition-sensitive agriculture and food systems in practice](#).

²¹ As defined in FAO, IFAD, UNICEF, WFP, WHO, 2022. [The State of Food Security and Nutrition in the World 2022](#). Repurposing food and agricultural policies to make healthy diets more affordable. Rome, FAO.



security, for instance by aiming at increasing the income of local populations, will not be considered as significantly contributing to food security and improved nutrition.

2.6.3. GENDER EQUALITY

SSNUP aims to support TA projects that **address gender inequalities by creating opportunities for women and/or by promoting women's autonomy and participation** at various levels of agricultural value chains. Only projects planning to **implement specific measures to act on constraints** faced by women and **to ensure women's participation** will be considered as significantly contributing to gender equality ("gender responsive" and "gender transformative" projects as defined by UNICEF)²², whereas simply targeting a number or percentage of women will not be sufficient to be regarded as such.

2.6.4. FAIR AGRIFOOD SYSTEMS

SSNUP aims to support TA projects that contribute to the development of fair agrifood systems. Projects contributing to fair agrifood systems aim to make systems more integrated and to foster a more equitable distribution of value in food supply chains, especially for the smallholder farmers. Therefore, projects aiming at strengthening the relationships or facilitating the transactions between smallholder farmers and other actors in the value chain (e.g. through digitalisation of the transactions, contract farming, etc.), adding value to raw or processed products produced by smallholder farmers or the cooperatives they belong to (e.g. through certification, diversification or improvement of products to access new or more lucrative markets), or increasing smallholder farmers' participation and decision power will be considered as contributing to fair agrifood systems. The detailed criteria considered to identify such projects are based on some of the **agroecological principles linked to social equity** defined by the HLPE of the Committee on World Food Security mentioned above.

²² UNICEF, 2022. [*Gender Equality Marker and Gender Tag Guidance Note*](#)



2.7. LOGICAL FRAMEWORK²³

Impact: Smallholder households improve their livelihoods as contributors to sustainable agrifood systems	
Outcomes	Outcomes KPIs
<p><i>If outcomes 2 and 3 occur, if sufficient infrastructure and logistics are in place at the local level for smallholder households to have access to the services mentioned below, and if smallholder households are willing to interact with AVCAs supported by impact investors, then:</i></p> <p>Outcome 1 – Livelihood:</p> <p>Smallholder households use new/improved financial services, capacity building services and market-access solutions in a way that improves their agricultural practices, productivity, capacity to absorb shocks, income levels and food and nutrition security.</p>	<p>Percentage of smallholder households using at least one service or solution (capacity building, financial services, market access solutions) reporting one or more outcomes:</p> <ul style="list-style-type: none"> o sustainable production practices adopted o improved productivity o improved income o improved capacity to absorb climate shocks (<i>projects on climate resilience only</i>) o improved decision power, self-confidence, skills, etc. (<i>women benefiting from projects on gender only</i>) o improved working conditions, bargaining power, increased economic transactions (<i>projects on value chain approach only</i>) o improved food security and nutrition (<i>projects on food security and nutrition only</i>)
<p><i>If blended finance stays a priority for funders, if impact investors are not constraint by regulations to invest in countries, if there are sufficient de-risking providers and mechanisms offers and if the currency market remains stable, if qualitative TA providers are available at the local level, and if impact investors recognise the importance of the community of practice, then:</i></p> <p>Outcome 2 – Investments:</p>	<p>Number of impact investors reporting one or more outcomes:</p> <ul style="list-style-type: none"> o Increased total agricultural portfolio o Increased investments in LDCs o Additional investees following pre-investment TA and/or use of de-risking mechanisms pre-investment
	<p>Number of impact investors reporting that SSNUP (through TA funding and/or de-risking mechanisms) contributed to these outcomes</p>
	<p>Average growth rate of impact investors' agricultural portfolio</p>

²³ This section showcases a reduced version of the Logical Framework derived from the theory of change. The comprehensive version of the Theory of change and the Logical Framework are available [in Annex 6 – Theory of change and Logical framework](#).



<p>Impact investors increase investments in untapped and underserved agricultural markets in a way that continues to serve smallholders in evolving market and production environments.</p>	Average growth rate of investments in LDCs
	Number of additional investees following pre-investment TA and/or use of de-risking mechanisms
	Percentage of new investees among the organisations benefiting from TA and/or de-risking mechanisms
<p><i>If an enabling political and economic environment (rule of law, availability of working force, availability of raw materials, etc.) is in place, and if AVCAs have the capacity and are willing to mobilise resources and time to improve their practices, then:</i></p> <p>Outcome 3 – Market development:</p> <p>Agricultural value chain actors (AVCAs) sustainably grow through sales or portfolio growth, job creation, attraction of additional investments and adoption of practices contributing to the sustainability of agrifood systems.</p>	<p>Percentage of ACVAs supported reporting one or more outcomes:</p> <ul style="list-style-type: none"> ○ Increase in AVCAs agricultural portfolio/amount of sales ○ Increase in the number of employees ○ Attraction of additional investment that can at least be partially attributed to TA and/or de-risking mechanism(s) ○ Adoption of practices contributing to the sustainability of agrifood systems
	Average growth rate of agricultural portfolio/amount of sales among AVCAs reporting an increase
	Average growth rate of number of employees among AVCAs reporting an increase
	Number of total additional employees among AVCAs supported
	Total and average amount (EUR) of additional investments raised by AVCAs supported, and percentage of this amount at least partially attributed by AVCAs to the TA received or de-risking mechanism
<p><i>If sustainable foods systems remain a priority for agrifood entities, and if agrifood system entities are willing to adopt a learning strategy, then:</i></p> <p>Outcome 4 – Knowledge:</p> <p>Agrifood system entities beyond SSNUP engage with sustainable food production, processing, distribution and nutritious consumption practices.</p>	Number and percentage of agrifood system entities considering SSNUP experience/products useful for their daily activities, by type
	Number and percentage of agrifood system entities reporting a change in their practices based on SSNUP experience/products, by type



2.8. OVERARCHING TARGETS²⁴

Impact	Smallholder households improve their livelihoods as contributors to sustainable agrifood systems			
Outcomes	SHs	Impact investors	AVCAs	Agrifood system entities
	80% of the smallholder households using at least one service or solution reporting one or more outcomes: <ul style="list-style-type: none"> - sustainable production practices adopted <ul style="list-style-type: none"> - improved productivity - improved income - improved capacity to absorb shocks - improved decision power, self-confidence, skills, etc. - improved working conditions, bargaining power, increased economic transactions - improved food security and nutrition 	12 investors reporting one or more outcomes: <ul style="list-style-type: none"> - increased total agricultural portfolio - increased investments in least developed countries - additional investees (following pre-investment TA and/or use of pre-investment derisking mechanisms) 	80% of the AVCAs benefiting from TA reporting one or more outcomes: <ul style="list-style-type: none"> - sales or portfolio growth - job creation post-TA - additional investments attracted post-TA and/or derisking mechanisms - sustainable management practices adopted 	Local or international entities involved in agrifood systems (external to SSNUP) reporting one or more outcomes: <ul style="list-style-type: none"> - consider SSNUP experience useful for their daily activities - report a change in their practices based on SSNUP experience and/or products
Outputs	1 million smallholder farmers using at least one service or solution provided through the SSNUP TA projects 5 million smallholder farmers directly or indirectly benefiting from the support provided to the AVCAs	120 TA projects implemented 67% of TA project budget allocated to sub-Saharan Africa At least 1 additional de-risking mechanism used by SSNUP impact investors thanks to SSNUP intermediation	250 AVCAs benefiting from TA projects to improve management systems and/or develop products and services	70 local service providers mobilised in SSNUP TA projects 1000 local or international entities informed of SSNUP experience and lessons learnt (through publications, events, newsletter etc.)
Activities	Over € 15 million allocated to TA projects Access to at least 1 de-risking mechanism (other than TA) facilitated for impact investors through SSNUP Knowledge management and capacity building activities coordinated (including workshops, publications, videos, training, etc.)			
Resources	Over € 15 million dedicated to TA € 230,000 dedicated to identifying, fundraising and implementing de-risking mechanism € 2 million dedicated to knowledge management			

²⁴ This section showcases a reduced version of KPIs and target values. All KPIs and target values (per level of results) are available in the Monitoring & Evaluation Plan, in [Annex 7 – Monitoring & Evaluation plan](#).



3. IMPLEMENTATION STRATEGY

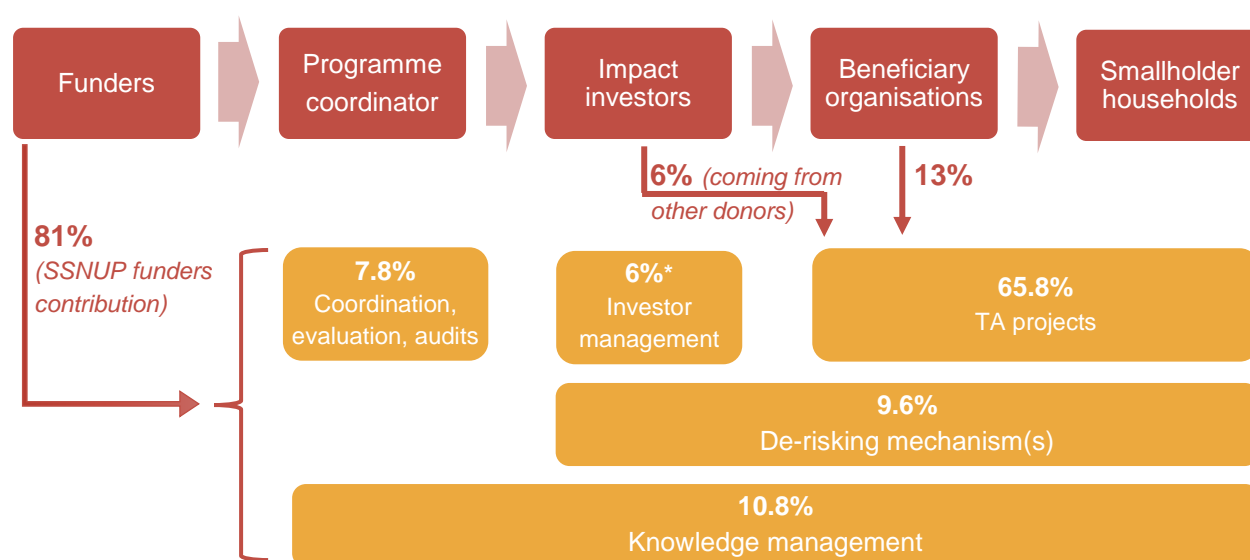
This chapter aims to provide an overview of the programme's implementation strategy by focusing on the various activities and services provided or to be developed in Phase II.

3.1. OVERVIEW

The programme was designed to leverage knowledge and relationships already established in the markets. The implementation strategy, therefore, relies on this knowledge and these relationships to channel funding to TA projects designed by the TA Facilities of the impact investors and the beneficiary organisations.²⁵

The aim is to provide TA that not only strengthens the production, income and resilience of smallholder households but also encourages investors to consider new investees in new countries or regions (in particular, in SSA and LDCs) and to increase investment amounts in targeted agriculture value chains. By targeting agricultural value chain actors with whom the impact investors have already invested or intend to invest, the SSNUP programme is directing funding to TA projects much more efficiently without the necessity of doing detailed due diligence beforehand.

The figure below illustrates the flow of funds and some of the outputs. For a more detailed understanding of the institutional setup, roles and responsibilities, please see [Annex 1 – Implementation map](#), [Annex 2 – Institutional setup](#), and [Annex 3 – Role of the coordinator](#).



* Please note that this is the % of management fees compared to whole programme budget. See [Management fees](#) for more details on the % related to TA project budgets.

In Phase II, the programme intends to take a step further and offer additional services on top of the TA and knowledge related activities to increase the impact on the sector and facilitate additional investment. More specifically, the programme intends to investigate options and partnerships that could enable access to de-risking mechanisms and capacity building opportunities for investors.

²⁵ Beneficiary organisations are AVCAs that are investees or potential investees of impact investors that benefit from a TA project funded by SSNUP.



3.2. TA PROJECTS

The TA projects are the driving force of the programme as they directly contribute to three of the four outcomes and indirectly support the 4th one by providing insights and data. Indeed, each TA project contributes (directly or indirectly) to (1) adding value to smallholder households by improving their production, income and resilience, (2) sustainably strengthening actors throughout the entire value chain, and (3) de-risking investments to encourage investors to increase their investment in agriculture.

The impact investor's role is to work with their investees or potential investees, identify their needs and design and propose TA projects that contribute to the objectives of SSNUP. It is also the investors' role to implement, monitor and report on the approved projects.

The coordinator's role is to support the investors through the processes, guiding them and providing them with technical and administrative support. The coordinator also ensures that the funders and the TAC are updated and stay informed on the progress of each project. For more details on the role of the coordinator, please see [Annex 3 – Role of the coordinator](#).

In addition to contributing to the abovementioned objectives, it is important that TA project proposals highlight and/or include aspects related to:

- The **role of the beneficiary organisation** in the agrifood system, and how the TA project is expected to contribute to the sustainable development of this system.
- A description/understanding of the **ecosystem** within which the beneficiary organisation operates and an understanding of other relevant actors who could potentially add value to the project.
- The **strategy of the beneficiary organisation**: the TA project should fit within the beneficiary organisation's strategy to ensure it is coherent and relevant to its objectives.
- **Project ownership**: the proposal should clearly state that the beneficiary organisation is driving the project and taking ownership.
- The **TA outputs**, that, if successful, should be integrated into the business model of the organisation.
- The **priority topics criteria** (1) environment and climate change, 2) food security and improved nutrition, 3) gender equality and 4) fair agrifood systems, highlighting how the TA project significantly contribute to them, or why they will not have a detrimental effect on them.
- **Openness to share the outputs**: while many of the outputs developed within the framework of a TA project may be too specific to the investee's context, some outputs (for example, training content) could be of great value when shared with other relevant stakeholders and the wider community. This should be considered at the proposal stage.

3.2.1. BENEFICIARY ORGANISATIONS

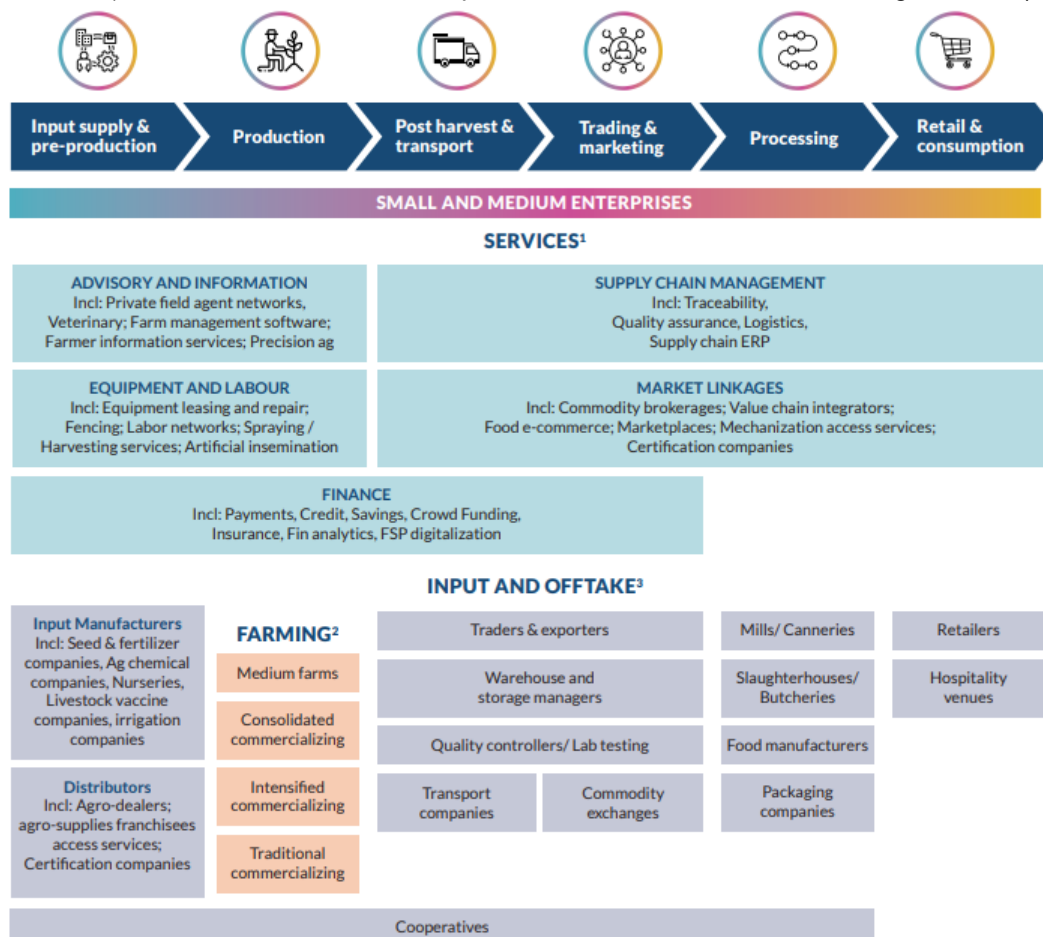
Beneficiary organisations are agricultural value chain actors (AVCAs) that receive TA support from SSNUP through one of the partner impact investors. A beneficiary organisation can be an investee or a potential investee of impact investors.

The scope of AVCAs in SSNUP corresponds to the scope of "Agri-SMEs" as described by SAFIN (The Smallholder and Agri-SME Finance and Investment Network) and ISF (Initiative for Smallholder Finance) in their [Agri-SME taxonomy published in 2021](#) and summarised in the figure below. This includes (1) organisations involved in the various stages of the agricultural production process, from input supply and pre-production, to farming, post-harvest and transport, processing, trading, marketing, and distribution (referred to as "input and offtake" in the figure below), as well as (2) organisations supporting those entities throughout the production chain, such as financial intermediaries or other service or equipment provider (referred to as "services" below).



Given the lessons learnt from Phase I, which showed that the type of support needed as well as the budget absorption capacity significantly differ according to the type of beneficiary organisation, the categorisation used in Phase I will remain the same in Phase II, distinguishing:

- Farmer organisations and cooperatives²⁶
- Financial intermediaries
- SME's²⁷ (all other actors involved in “input and offtake” or “services” in the figure below).



(Source: Learning Brief: Agri-SME Taxonomy, Safin & ISF, March 2021)

Criteria for beneficiary organisations

- **Engaged in one or multiple targeted agricultural value chains** that adhere to the criteria below.
- Trending towards **financial and institutional self-sufficiency**.
- **Substantial market share, or market share potential**. Organisations linked to less than 100 smallholder households will not be considered.
- **Good ESG practices**, and/or willingness to improve, for the benefit of SHs in terms of fair prices, adopting sustainable farm practices, women and youth inclusiveness, prevention of child labour, etc.

²⁶ Cooperatives, associations, self-help groups, producer organisations, farmer-based organisations, etc.

²⁷ An SME meets two of the three indicators in accordance with the **IFC definition**: (1) Between 10-300 employees, (2) Between € 80,000 - € 13,230,000 in total assets, and (3) Between € 80,000 - € 13,230,000 in total annual sales.



3.2.2. AGRICULTURAL VALUE CHAINS

The programme aligns the agricultural value chains it targets, in most cases, with those targeted by the impact investors. However, they must adhere to the criteria mentioned below.

Criteria for agricultural value chains

- **High domestic and/or global market demand** (major crops, e.g. rice, potato, maize, cassava, wheat, beans and global commodities like coffee, cacao, etc., livestock, poultry production, horticulture, aquaculture, and forestry). Value chains should be promoted in due consideration of the existing equilibrium between food and cash crop production (see [Annex 9 – Priority topics criteria](#)).
- **Scalable integration of smallholder households.**
- **Consistency with the programme priority topics:** the value chain supported should at least not have a detrimental effect on environment and climate, gender equality, food security and nutrition, or the stability of relationships among actors in the chain and should be compatible with significant improvement on these topics.

3.2.3. TA CATEGORIES

The investors can offer four non-exclusive categories of TA support to their beneficiary organisations. These new categories originate from the SSNUP study '[Technical Assistance provided by Impact Investors to Agricultural Value Chain Actors](#)', which proposed a revised typology and framework for defining TA in the hope of standardising definitions and having a set of metrics for consistent evaluation across the sector.

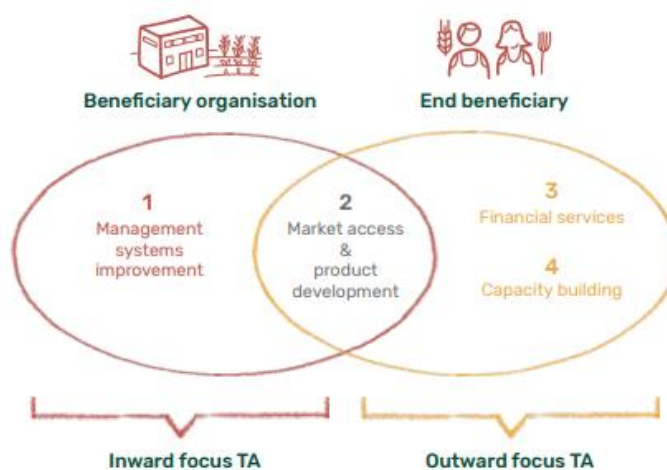
The revised typology for TA can be broken down into 4 main categories:

1. **Management systems improvement:** financial management, risk management, environmental, social & governance (ESG) management, traceability systems, digitalisation of internal processes, governance & leadership, credit management, quality and safety certification, financial investment readiness, etc.

2. **Market access and product development (excluding financial services):** business and commercial strategy, fairtrade and organic certification, market linkages, new agri-product development, etc.

3. **Financial services delivery:** new/adapted financial products (loans, insurance, savings, etc.), digitalisation of service delivery, climate-smart finance, gender-smart finance, distribution channels, etc.

4. **Capacity building of end beneficiaries:** income diversification, climate adaptation and mitigation, sustainable agricultural practices, financial literacy and business management training, gender-smart agriculture, yield and quality improvement practices, etc.



In the context of the SSNUP, TA projects can include multiple categories and are not limited to just one. For example, a TA project aiming to develop new financial services will most likely include a component linked to the improvement/adjustment of management systems.



In addition to the abovementioned categories, which offer insight into the type of TA projects submitted, the programme has identified four priority topics that are important to take into account when designing a TA project: 1) environment and climate change, 2) food security and improved nutrition, 3) gender equality and/or 4) fair agrifood systems²⁸. All projects should at least not harm these areas, and SSNUP will especially encourage projects which significantly contribute to one or several of these issues.

3.2.4. DURATION

SSNUP TA projects have a maximum duration of 24 months but no minimum. The investors are expected to submit TA projects that are tailor-made and demand-driven with the intention to fill a gap or respond to a need. This will thereby increase the likelihood of shorter-term TA projects that are designed efficiently without the need for an 'inception phase' and regular project adjustments.

3.2.5. BUDGETS

To ensure flexibility and the programme's ability to respond to specific needs, there is no minimum or maximum amount of budget (SSNUP contribution or overall budget) per TA project.

However, the size of the budget per beneficiary organisation must be relative to the:

1. **Size of the organisation**, the number of SHs supported, its current financial, social, and environmental returns/performance, and its market positioning.
2. **Growth potential and scalability** of the organisation's business model(s) supported by the TA and the potential outreach to larger numbers of SHs.
3. **TA absorption capacity** of the organisation.
4. **Amount invested** in the organisation (for example, a TA project budget should be lower than the amount previously invested).
5. The **self-contribution** share of the organisation should be in line with its financial capabilities (i.e. financially strong investees must contribute more than the minimum self-contributions).

For overall budget envelopes per impact investor, please refer to [Annex 8 – Investor eligibility criteria, process and budget](#).

3.2.6. PROCESSES

The TA project approval, monitoring and reporting processes have been designed to be as efficient and smooth as possible but also flexible to suit the needs of the investors when necessary. Indeed, the programme has been designed with an agile organisational structure to ensure it fits existing procedures and can be adapted easily.

The below figure provides an overview of the processes from the identification of the needs at the level of the field to reporting and finalising a TA project.

²⁸ See section [2.4 Priority topics](#) for more details.



Impact investor: identifies TA needs, designs project with beneficiary organisation, and submits the TA project proposal to the coordinator.

Programme coordinator: reviews the proposal, may provide feedback to investors if necessary, and sends the proposal with a coordinator evaluation to the TA Committee (TAC).

TA Committee (TAC): revises and deliberates on the TA projects (with or without a meeting), and sends the approval or rejection to the investor.

Impact investor: once the project is approved, the investor implements the TA project with the beneficiary organisation(s) and shares monitoring reports twice a year with the coordinator.

Programme coordinator: once the project is complete and data is collected, various knowledge management products are published. The indicators are updated every year for 2 years after the project is completed.

Approval process

The **impact investors** design (with their investee(s)) and submit the TA projects based on SSNUP proposal templates to the coordinator.

The **coordinator** reviews the proposal to ensure the project is in line with the objectives of the programme and the criteria are met. The coordinator may provide feedback and suggestions as to how the project can be improved, if necessary, before sending the final proposal and its evaluation to the TAC.

The **TAC** then reviews and deliberates on the TA projects (with or without a meeting) and informs the investors of their decision, or requests additional information, within ten (10) working days after receiving the proposal from the coordinator.

The box below entitled 'Technical Assistance Committee (TAC)' details responsibilities, the composition, and the approval processes for projects under or equal to € 50,000 of SSNUP contribution and for projects over € 50,000.

Implementation process

Once approved by the TAC, the investor coordinates the implementation of the TA projects and reports to the SSNUP coordinator twice a year on their progress.

In terms of funding, as soon as the project is approved, the TAF will receive the disbursements of the SSNUP contribution in 1 instalment on the dedicated SSNUP account, which will be used to cover all expenses related to the TA project.

Monitoring and reporting process

The investor will provide every six months an updated pipeline of its TA projects, the individual TA project reports as well as their investor report and the relevant account statements. Once a year, the coordinator will prepare an annual report, mainly outcome-based, to be published on the [SSNUP website](#).

A quarterly Funder Committee information sharing process, with meetings organised when necessary, will be put in place to, amongst other things, update the funders on the progress of the programme and the most recently approved projects. See Funder Committee in the [Governance](#) section for more details.



Technical Assistance Committee (TAC)

Responsibilities

The **TAC** is the governance body responsible for approving TA projects submitted by impact investors. This includes the following responsibilities:

- Review and approve/reject TA projects submitted by the coordinator within 10 working days.
- Organise and participate in TAC meetings with investors when clarifications are needed.
- Review and propose updates when necessary to the eligible funding guidelines.
- Contribute to quarterly Funder Committee information sharing process with an overview of the TAC's decisions and any new insights/lessons learnt.

Composition

The TA Committee is composed of:

- **Expert representatives from the coordinator** – ADA will nominate experts who are not involved in the screening of projects prior to submission.
- **Expert representatives from the funders** – the lead donor will nominate funder representatives, ensuring some continuity in the TAC from Phase I.

It is advisable to nominate at least 2 experts per representation to ensure availability throughout the year.

The below two lists (expertise and geographical focus) consolidate the ideal expertise that is required in the TAC. If there is a need for additional expertise, the TAC members can consult other experts (internal or external to their organisations), but it is the TAC members that ultimately take the decisions.

- | | |
|---|----------------------------------|
| • Expertise | • Geographical experience |
| ○ Inclusive finance | ○ Africa |
| ○ SME finance | ○ Asia |
| ○ Agriculture, climate, nutrition, biodiversity, gender | ○ Latin America |
| ○ Investment & TA | |

Approval process linked to project budget

The approval process will differ slightly depending on the size of the SSNUP contribution to the budget:

- **For projects over € 50,000 of SSNUP contribution** – both TAC representatives (1 from coordinator and 1 from funders) must review and approve unanimously each proposal. Without the approval from both representatives, a project cannot be approved.
- **For projects under or equal to € 50,000 of SSNUP contribution** – only 1 expert representative from the coordinator approves proposals.



3.3. MANAGEMENT FEES & INCENTIVES

As detailed in section 2.3, management fees enable impact investors to cover TA project transaction costs and are essential for TA projects to be implemented. In particular, management fees cover administrative and operational costs related to the selection of TA providers and consultants, TA project monitoring, advising to TA providers and investees, reporting, etc. Since many impact investors operate on tight financial margins, they would not be able to manage TA projects without TA management fees. Indeed, covering TA transaction costs without management fees would imply to transfer these additional costs to the investees, increasing the total cost of investments, eventually making impact investments more costly for investees than traditional investments. Management fees are hence useful to ensure that impact investors can compete with traditional investors who do not have TA-related expenses.

Management fees are usually set between 8% and 20% of the total budget of a TA project²⁹. In the case of SSNUP, management fees are not calculated on the total TA budget but as a percentage of the actual SSNUP contribution, which has on average represented 54% of the total TA budget since the start of SSNUP Phase I.

On the basis of the experience of Phase I as well as interviews with SSNUP partner and non-partner impact investors, the baseline management fee for Phase II is set at 12% of the real expenses on SSNUP contribution (up from 11% in Phase I). Indeed, the initial 11% fee had been deemed insufficient to cover TA project management costs, especially for impact investors that do not receive any other public funding.

Additionally, SSNUP Phase II intends to incentivise investors to propose projects on specific topics and/or in certain regions by proposing additional resources for management fees. For projects that align with certain criteria, an additional 2% management fee can be triggered, bringing the total management fee to 14% of the real expenses on SSNUP contribution.

The first criterion allowing an additional 2% management fee is geographical: all projects implemented in [Least Developed Countries](#) (LDCs) will receive a management fee of 14%.

In parallel, investors will be incentivised to contribute to outcome measurement and knowledge management by providing additional quality data and information linked to project results and perception surveys. See section [Knowledge management](#) for more details.

As appropriate and according to the needs of the programme, a proposal for other incentives could be developed in conjunction with the funders, and tabled to the Funder Committee, such as for example for projects with a strict focus on gender-equality, the transition towards agroecology, climate-resilient agriculture and nutrition-sensitive programming.

3.4. CALL FOR PROJECTS

In parallel to the projects approved and implemented as part of the regular SSNUP process, the programme can also launch calls for projects in accordance with specific needs and for a limited duration. These calls for projects are open to impact investors currently not part of SSNUP and provide the opportunity to:

- Target specific topics. Calls for projects could target specific topics, whether already identified among priority topics (e.g. agroecology, nutrition) or additional ones (e.g. youth and young-entrepreneurship promotion).
- Attract new types of projects.
- Strengthen the programme's focus on a specific region, particularly sub-Saharan Africa.
- Collaborate with new impact investors.

The objectives of such calls for projects are no different from those of the programme. They must, therefore, contribute to improving the resilience of smallholder households, strengthening agricultural value chains,

²⁹ Percentages based on information collected during interviews conducted by the SSNUP coordinator with impact investors currently part and not part of SSNUP.



facilitating additional investments, and contributing to de-risk current investments in agricultural sectors in developing economies.

3.5. DE-RISKING MECHANISMS FOR INVESTORS

Over the past five years, impact investors have faced increased risks, triggered by COVID-19 and the Russia-Ukraine War, exacerbated by the effects of climate change. These events have disrupted supply chains and led to increased volatility of commodity prices, negatively affecting investments in agriculture SMEs.

Smaller agriculture value chain actors, in particular SMEs, operating in local value chains and/or based in LDCs are especially underserved. While impact investors account for only a small percentage of agriculture finance in developing countries, their role will remain important in the short-to-medium term as they have a strong impact focus and are complementary to commercial banks.

Based on the results of the evaluation of SSNUP Phase I, stakeholder workshops, and a study commissioned by SSNUP, *Technical Assistance Provided by Impact Investors to Agricultural Value Chain Actors*, it has been confirmed that TA brings a lot of value-added as a complement to agriculture investments and that it also plays an important role in terms of de-risking such investments. However, to foster even more additional investments in this sector, TA should when possible be combined with other de-risking mechanisms. Access to additional de-risking instruments improves the risk-return profile for impact investors, which can catalyse additional investments in agriculture.

Impact investors already use de-risking mechanisms, such as blended finance that combines public and private capital to de-risk agricultural investments. Sharing risks between stakeholders can be very powerful to encourage private investors to enter riskier sectors. Partial credit guarantees are also intensively used on a portfolio or deal-by-deal basis.

Thanks to its unique position as a platform that brings together diverse actors from the agricultural investment sector, SSNUP has identified several ways to integrate existing or develop complementary mechanisms that could enhance de-risking strategies beyond TA, creating a more holistic and comprehensive approach.

An other study, commissioned by SSNUP, was conducted at the end of 2024 to map the landscape of financial de-risking mechanisms that are relevant for impact investors targeting the agricultural sector. Based on literature review and key informant interviews with stakeholders in the development and impact investing sector, the study ended up with (1) a list of specific risks that impact fund managers targeting the agricultural sector in emerging markets are facing, (2) a list of de-risking mechanisms already used or under development, their advantages and drawbacks to mitigate each type of risk, and (3) first recommendations for SSNUP. In particular, the study identified an opportunity for SSNUP to play the role of an intermediary to facilitate access to a variety of existing de-risking instruments for the different impact fund managers that are SSNUP partners.

These results were shared and discussed with SSNUP partner investors during a stakeholder workshop in February 2025. The insights from the workshop demonstrated that it is not straightforward for impact investors to select the best possible de-risking mechanisms given the types of risk that they want to address. Therefore, one of the roles of SSNUP Phase II will be to better guide impact investors and leverage SSNUP partners past experiences with de-risking instruments. It is also an area where innovation can play an important role to make those de-risking instruments more widely available and scalable (e.g., on climate change/insurance).

In particular, in order to serve better smaller agriculture value chain actors, operating in local value chains and/or based in LDCs, the following financial instruments have been identified as relevant by impact investors during the Stakeholder Workshop:

- Currency hedging instruments



- Insurance (at the investor level to cover geopolitical risk, and/or at the investee level, especially to mitigate climate change risk)
- Guarantees
- Financial incentives for pre-investment TA projects, for which transaction costs are usually higher than post-investment TA projects implemented with beneficiary organisations that are already known by impact investors
- CAPEX grants as incentives, especially to enable current investees to acquire equipment enabling them to mitigate climate change risks, these current investees already reimbursing working capital loans and being not able to absorb an additional investment to cover equipment acquisition.

Among all these instruments, those enabling impact investors to mitigate currency risk have been identified as the first ones to investigate. Indeed, currency risk arises when impact investors lend to their counterparties in local currency. Due to volatility of exchange rates in many LDCs, movements between the currency of the impact investment vehicle (typically USD or EUR) and the local currency can cause significant losses. While the vast majority of impact investments in Agri-SMEs are done in hard currency (typically linked to export crops such as coffee and cocoa), investments in local currency are particularly relevant when investing in local food systems, a topic relevant for the SSNUP objectives. It is through the promotion of diversified local food systems and value-chain reinforcing that typically the greatest nutritional improvements can be achieved.

Currency hedging instruments for developing countries are available in the market, offered by TCX³⁰ directly or through brokers such as MFX³¹. Moreover, TCX, jointly with the EU, launched a major currency hedge subsidy programme³² in 2024.

However, hedging instruments are not used at scale by impact investors due to the high cost and reported lack of adaptation to the needs of SMEs and/or the agriculture sector. Even in light of the EU subsidies, hedges are considered costly given small deal sizes in combination with a “deal-by-deal” approach, and high fees of currency hedging providers on selected currencies. Moreover, in the view of impact investors, current hedges are not fully adapted to SMEs or to the agriculture sector because they have strict maturity dates, which may not match with the loan repayments that are contingent on receipt of sales proceeds, cash flows being even more irregular in the agricultural sector. Finally, the alleged complexity currency hedging mechanisms also help explain the low usage.

Given these current constraints, SSNUP will work on 3 areas:

- Use the size of the combined SSNUP programme and partners to conclude better and more suited deals with hedging providers. While the price is one element, it is also about finding more suitable solutions for SMEs and/or the agriculture sector.
- Use also the size of SSNUP in the way that there are different impact investors investing in different countries, under different project timelines and according to different repayment periods. It creates a diversified ‘SSNUP portfolio’ which allows to mitigate the currency risk.
- Reduce the complexity and negotiate/provide more suited solutions to impact investors.

SSNUP will mobilise the appropriate external expertise in order to work on these aspects, and will mainly play a role of intermediation between impact investors and mechanism providers.

³⁰ TCX was founded in 2007 by a group of development finance institutions (DFIs), specialized Microfinance Investment Vehicles (MIVs) and donors to offer a solution to currency risk. <https://www.tcxfund.com/>

³¹ MFX is a socially-oriented company that supports impact investing with hedging products and risk management education. <https://mfxsolutions.com/>

³² In 2024, TCX and the European Union have entered a partnership to reduce the cost of local currency funding. https://www.tcxfund.com/wp-content/uploads/2024/10/TCX-Compendium_The-European-Pricing-Facility.pdf



Additionally, SSNUP initiated discussions to create synergies with FASA³³ (Financing for Agricultural SMEs in Africa), a multi-donor fund of funds designed to invest catalytic capital (first loss) in African investment funds supporting small and medium-sized agricultural enterprises. FASA was launched at the end of 2024 by the Norwegian Agency for Development Cooperation (Norad) and the United States Agency for International Development (USAID) and is managed by I&P (Investisseurs & Partenaires). FASA also envisages to develop a complementary de-risking mechanism in addition to first loss and has identified currency hedging as a primary need. FASA and SSNUP, both initiatives could work together on facilitating access to currency hedging for both SSNUP and FASA impact fund managers.

In the event that it would not be possible to achieve the identified objectives with regard to currency hedging, SSNUP would pursue the investigations into the other instruments listed initially, such as guarantees or other de-risking solutions at the level of the investees (insurance, financing of equipment to adapt to climate change, etc.).

This holistic and blended approach to promoting investment in the agricultural sector by combining TA with other de-risking mechanisms should have a positive effect on the additional investments following the involvement of SSNUP. The additional investments indicator, along with the number of additional investees in the agricultural sector, will be the key indicator to illustrate how well the blending approach works.

The current budget allocation is for the identification and monitoring of the identified mechanism(s). Depending on the mechanisms identified, additional funding could be raised to fill a potential gap.

3.6. STRENGTHENING THE CAPACITY OF INVESTORS

One of the evaluation's recommendations was to identify the capacity needs of the investors and put in place opportunities to further strengthen their capacities. The evaluation suggested to build the capacity of TAF managers in order to enhance project management skills and achieve greater harmonisation across programmes, but also highlighted the opportunity for investors to further deepen their understanding of the processes and risks associated with agricultural investment.

A number of opportunities and potential partnerships could be created by linking public sector organisations such as the Food and Agriculture Organisation (FAO), which can provide data, support and training opportunities, to private sector actors such as impact investors.

The proposed activities, therefore, could include:

- Capacity building for TAF managers to improve project design and management and ensure consistent quality across project proposals. The programme could include this in a toolbox to standardise the procedures.
- Capacity building for investors based, for example, on training developed by the FAO and other organisations to manage investors' risk in agriculture and promote blended finance.

³³ <https://www.fasafund.com/>



4. KNOWLEDGE MANAGEMENT & COMMUNICATION

4.1. OVERVIEW

As a unique programme offering TA funding to multiple impact investors, SSNUP holds a unique position to collect, centralise, and analyse data coming from a variety of experiences and to produce and disseminate knowledge among SSNUP stakeholders and other entities involved in agrifood systems. Building on the experience of Phase I and feedback from internal and external stakeholders, Phase II plans to consolidate and improve SSNUP learning processes and products to make it a relevant and impactful knowledge platform.

This section will initially focus on the processes in which information and data are collected, the products used to share the information, and finally, the partners with which the programme works to best achieve its knowledge objectives. This will be followed by a section on the programme's communication strategy before ending with a section on the evaluation.

4.2. PROCESSES

A general monitoring and reporting framework has been defined for the entire programme that is consistent with its underlying Theory of Change, including improvement from the Phase I. This framework ensures data and feedback is collected at all levels:

- **Investor level - Annual investor reports** detailing their investment activity to track the possible evolutions in their investment strategy and processes.
- **Beneficiary organisation level** - Bi-annual and annual **TA project reports**, as well as through **direct feedback collection** by the coordinator at the end of each TA project through remote **interviews**. Beyond project direct outputs and outcomes, Phase II will be the opportunity to focus more on the general evolution of beneficiary organisations compared to Phase I, including in terms of additional investments (from SSNUP partner investors and others) mobilised by beneficiary organisations, that they consider as at least partly resulting from the TA they received.
- **Smallholder household level (final beneficiary) - Perception surveys** coordinated by the coordinator and conducted for a sample of TA projects, representative of the variety of TA project topics and objectives, to better understand the perceived change at the level of the smallholder.

Other actors involved in (such as local service providers involved in SSNUP TA projects) or supporting agrifood systems (any other local or international actor) will also be included when appropriate through **online surveys** to assess the usefulness of knowledge sharing and dissemination, as well as potential replication of SSNUP experience/projects.

However, to ensure quality data and information collection that is essential to learn and build knowledge at the programme level, a significant implication and effort from SSNUP partner investors and their beneficiary organisations is necessary, in particular to coordinate the implementation of perception surveys and to ensure common and accurate understanding of the data to be collected. For this reason, investors will be incentivised to contribute to additional outcome measurement and knowledge management.³⁴

³⁴ Investors will receive EUR 1,500 per perception survey related to one of their TA projects to effectively support the survey coordination process, and EUR 1,500 EUR per beneficiary organisation of TA projects (within a limit of EUR 6,000 per TA project) to effectively collect quality and accurate data from their beneficiary organisations enabling to feed the SSNUP comprehensive output and outcome database.



SSNUP Learning agenda

The programme's learning agenda will focus on answering the questions below and will use the data and information deriving from the monitoring and reporting process, as well as other sources:

- *What are the best practices in terms of TA to maximise positive outcomes for smallholder households and beneficiary organisations?*
- *Does TA contribute to leverage more private investment in agriculture in developing countries? Under which conditions?*
- *What other mechanism(s) enable to de-risk and stimulate investments in the agri-food ecosystem?*

The more detailed topics of this learning agenda will be defined and continuously revised following a bottom-up approach:

- The main topics on which to produce knowledge will be identified based on the topics tackled by the TA projects proposed by impact investors to ensure a match with the main subjects of interest to both investors and beneficiary organisations.
- The results of projects and de-risking mechanism will help identify cross-cutting topics for study or analysis to better understand the results, compare approaches and identify good practices and lessons learnt.
- SSNUP stakeholders will be consulted regularly to ensure they are involved in the choices made and enable them to suggest topics or formats tailored to their needs.
- As the SSNUP coordinator, ADA will increase its participation in communities of practice focused on supporting the agricultural sector in developing countries to identify the main knowledge gaps and areas of interest, disseminate SSNUP lessons learnt and potentially contribute to collective learning initiatives by using SSNUP experiences as case studies.

4.3. PRODUCTS

Based on Phase I experience, the following knowledge products are scheduled for Phase II:

Product	Objective	Target audience
Technical assistance toolbox (including templates of Terms of reference (ToR), TA provider selection grid, TA provider list and assessment, tools and methodologies, etc. Created at the launch of Phase II and continuously fed)	Build capacity in TA project design and management	TAF of SSNUP partner investors
Capacity building activities for investors (to be developed and organised with external partners throughout phase II)	Improve TA project management and streamline consistency in project design and budget definition Improve understanding and management of risks associated with agriculture investments	TAF and investment teams of SSNUP partner investors
Stakeholder workshops (1 per year)	Consultation on the programme's progress and strategic orientation Foster knowledge and experience sharing and strategic reflection on support to agriculture in developing countries	SSNUP stakeholders



Knowledge-sharing workshops (2 per year)	Foster experiences sharing and learning on specific topics related to TA	SSNUP stakeholders and other members of their staff
Project result documents (1 for each completed TA project)	Disseminate TA project results and lessons learnt	SSNUP stakeholders Other actors involved or supporting agrifood systems
Perception surveys among smallholder farmers (around 5 per year for a selection of completed TA projects as defined in perception survey guidelines)	Better identify and understand TA project outcomes for smallholder households	
Ad hoc studies (1 per year)	Better understand an issue related to agriculture in developing countries and/or identify best practices to deal with an issue	
Videos (2 per year)	More digestible illustration of notable TA projects	
Public webinars (at least 1 per year)	Disseminate results and learning from ad hoc studies and/or other SSNUP knowledge product	

This list is not exhaustive and may be completed during the implementation phase if complementary needs are identified.

4.4. PARTNERS

The SSNUP coordinator will rely on various entities or networks to generate and disseminate knowledge effectively. Depending on the purpose, collaboration with the following potential or existing partners may be punctual or continuous, formalised or not.

Type of partner	Existing or potential partners ³⁵
SSNUP stakeholders	<ul style="list-style-type: none"> Impact investors have their own networks of contacts and partners and should be leveraged to disseminate the knowledge products of the programme. Funders and the funder representatives have access to forum and groups that the coordinator, as an NGO, does not, which should be used to bring key topics to a much higher level. For example, high-level government meetings, European Union meetings, national cooperation agencies events, World Bank, CGAP, IFAD, etc.
Networks of actors supporting the development of the agricultural sector in developing countries	<ul style="list-style-type: none"> Council on Smallholder Agricultural Finance (CSAF), which gathers more than 20 impact investors in agriculture as members of the network, as well as additional organisations (public donors, foundations, etc.) supporting the agricultural sector. ADA/SSNUP is already a field-building partner. Smallholder and Agri-SME Finance and Investment Network (SAFIN), which gathers more than 60 member private and

³⁵ List is not exhaustive and other organisations will be identified



	<p>public organisations. ADA is already in informal contact with SAFIN in the name of SSNUP through the CSAF.</p> <ul style="list-style-type: none"> • Microinsurance Network (MIN), which gathers individual and institutional members representing more than 500 experts in inclusive insurance. The MIN has already been involved in a knowledge-sharing workshop during Phase I, and there may be additional collaborations during Phase II.
International organisations	<ul style="list-style-type: none"> • Food and Agriculture Organisation (FAO). ADA (outside SSNUP) is already collaborating with FAO on projects and learning, and the collaboration may be extended to SSNUP in the future, especially to deliver capacity building activities to SSNUP partner investors.
Service providers specialised in surveys among rural populations in developing countries	<ul style="list-style-type: none"> • 60Decibels, already contracted by ADA for a first series of surveys during SSNUP Phase I. The collaboration may be renewed if it is satisfactory.
Research institutions	<ul style="list-style-type: none"> • Consultative Group on International Agricultural Research (CGIAR) or one of their members. CGIAR is a network of international research centres in agriculture and works with diverse actors to maximise the impact of research. A researcher of one CGIAR member intervened in a SSNUP knowledge-sharing workshop during Phase I, and other collaborations may be developed in the future.

4.5. COMMUNICATION

The communication strategy of SSNUP is fundamental in achieving the 4th outcome of the programme as it will enable the lessons and learnings to be disseminated to the target audience, which are all actors involved in supporting agrifood systems.

The objectives of the communication strategy focus on sharing the knowledge created within the programme, promoting collaboration among investors, showcasing how the stakeholders are contributing to the SDGs, and illustrating concrete examples of how innovation TA and investments, when combined, can have a multiplier effect on the impact at the level of smallholder households.

The table below summarises the various communication activities planned in Phase II.

Activities	Objective
Content creation and distribution	
Website: regular updates to the existing SSNUP section on the ADA website with project factsheet, key figures, partner presentation, resources, and news: ssnup.org	Provide comprehensive and up-to-date information about the SSNUP programme/projects.
News: detailed articles to inform about major programme updates, present new partners, share new publications (project results, workshop results, studies, annual reports...), and communicate on specific events.	Highlight specific programme and project updates.



Newsletters: quarterly newsletter, providing updates summarising recent activities and upcoming developments with programme stratus, latest news, upcoming events, and project results.	Keep stakeholders and interested actors informed about ongoing activities and developments.
Social media engagement	
Social media: regular updates, lessons learnt, and relevant news on platforms like LinkedIn and X.	Increase visibility and engagement with a broader audience.
Multimedia content	
Images & illustrations: images collected from investors or taken by photographs recruited in the field or illustrations designed by a graphist to showcase project context, beneficiary testimonials, and resources. These are used on the website, in publications, social media, annual reports, and during events.	Visually demonstrate the impact of the SSNUP programme/projects.
Infographics: create infographics to visually represent data and impact statistics, making the information easily digestible and shareable.	Make complex data and impact statistics easily understandable.
Annual reports	
Annual reports: comprehensive yearly reports detailing the programme's activities, achievements, and financials.	Provide a comprehensive overview of the programme's activities and achievements.
Events	
Conferences & seminars: organise and participate in relevant agricultural and inclusive finance events to present the SSNUP programme to a wider audience and share the knowledge generated.	Disseminate programme results and develop network.
Press and media relations	
Press releases: announcements about significant milestones such as the launch of Phase II, new partnerships, or other major events.	Announce significant milestones and updates.



5. RISKS, MITIGATION FACTORS AND OPPORTUNITIES

The programme is exposed to various risks that can be divided into three main risk categories:

- **Contextual risks**, such as global macro-economic uncertainties and climate change, are highly relevant because they can directly impact agricultural productivity and investment returns. Economic downturns or trade disruptions can alter market dynamics, while climate-related extreme weather events threaten the stability and productivity of smallholder agriculture.
- **Programmatic risks** include changes in funder strategy, which may shift focus away from agricultural development or private sector engagement, thus requiring the programme to adapt its objectives. Additionally, technological risks related to the adoption of digital tools are pertinent as they affect how effectively smallholders can leverage modern innovations.
- **Institutional risks**, such as insufficient AVCAs with strong ESG standards and governance issues, are relevant because they influence the programme's credibility and its ability to partner with impactful actors. These risks are assumed based on historical trends, emerging challenges, and the inherent volatility in agricultural and investment environments

To address these different types of risks, the programme plans to implement a variety of targeted mitigation strategies depending on the type of risk. For **contextual risks**, the programme plans to diversify its project portfolio across different regions and sectors and promote investments across agrifood systems, including, but not limited to, climate-resilient agricultural practices. **Programmatic risks** will be managed by maintaining open communication with funders to stay aligned with their evolving strategies and providing training for the adoption of new technologies. And lastly, for **institutional risks**, SSNUP will implement rigorous selection criteria for AVCAs, monitor governance frameworks closely, and provide technical assistance to enhance institutional capacity.

The table below details the main risks exposed to the programme and the recommended mitigation strategies.

Category of risk	Risks	Mitigation factors	Opportunities
Contextual	Global macro-economic uncertainties and potential fall out	<ul style="list-style-type: none"> • Diversified portfolio of projects in various regions. 	<ul style="list-style-type: none"> • Reinforce the perception/need for a sustainable and environmentally conscious agricultural and human development model.
	Climate change and environmental risks	<ul style="list-style-type: none"> • Support and implement climate-resilient agricultural practices. • Promote the development for climate-adaptive crops. 	<ul style="list-style-type: none"> • Position SSNUP as a leader in climate-smart agriculture. • Support the development of new markets for climate-resilient crops and technologies.
	Political instability and regulatory changes	<ul style="list-style-type: none"> • Regularly assess political risks in target regions. • Engage in policy dialogue with local governments when possible. 	<ul style="list-style-type: none"> • Adapt to changing situations and regulations.



Programmatic	Strategy changes of funders regarding agricultural development and private sector engagement	<ul style="list-style-type: none"> • Maintain an open dialogue with the funders. • Align SSNUP's objectives with evolving funder priorities. 	<ul style="list-style-type: none"> • Reorientate the objectives of the programme to fit the needs of the funders. • Explore new funding opportunities.
	Technological risks (e.g., adoption of digital tools by smallholders)	<ul style="list-style-type: none"> • Support training and capacity-building on new technologies. • Promote partnerships with tech providers for localised solutions. 	<ul style="list-style-type: none"> • Help drive digital transformation in the agricultural sector. • Support innovative and scalable tech solutions tailored to smallholder needs.
	Market access and price volatility	<ul style="list-style-type: none"> • Promote market linkages and support smallholders in forming cooperatives. • Promote value-added localised processing to reduce dependency on raw commodity prices. 	<ul style="list-style-type: none"> • Create stable, high-value markets for smallholder produce.
Institutional	Insufficient AVCAs with good ESG standards and market potential	<ul style="list-style-type: none"> • Select only AVCs with the highest potential for sustainable growth. • Conduct in-depth due diligence for selecting the most impactful AVCAs. 	<ul style="list-style-type: none"> • New digital solutions that reduce administrative costs. • New innovative financial services that reduce or transfer risks.
	Governance issues with AVCA could lead to reputation risks for the SSNUP funders and impact investors.	<ul style="list-style-type: none"> • Closely monitor business frameworks and risk exposure of AVCAs. • Promote partnerships between public and private sectors. 	<ul style="list-style-type: none"> • Forging partnerships between the public and private sector to leverage expertise and resources.
	Limited absorption capacity of the investors and AVCAs	<ul style="list-style-type: none"> • Apply stringent selection criteria. • Mainstream technical assistance within the impact investing ecosystem. 	<ul style="list-style-type: none"> • Improve capacity through targeted interventions. • Enhance the effectiveness of investments through integrated TA.



6. BUDGET³⁶

SSNUP Global Budget	% Total Budget	Total	2025 May-Dec	2026	2027	2028	2029 Jan-Apr
Technical assistance projects	65,8%	15 262 800 €	2 238 400 €	3 663 000 €	3 968 400 €	4 273 800 €	1 119 200 €
TAF Management fees & incentives	6,0%	1 386 000 €	203 280 €	332 640 €	360 360 €	388 080 €	101 640 €
De-risking mechanism*	9,6%	2 230 000 €	50 000 €	550 000 €	550 000 €	550 000 €	530 000 €
Knowledge management & dissemination	10,8%	2 503 680 €	392 613 €	606 420 €	613 920 €	618 420 €	272 307 €
Evaluation and financial audit	1,1%	259 500 €	- €	43 500 €	51 500 €	111 500 €	53 000 €
Programme coordination	6,7%	1 560 820 €	274 987 €	389 980 €	384 580 €	384 580 €	126 693 €
TOTAL BUDGET		23 202 800 €	3 159 280 €	5 585 540 €	5 928 760 €	6 326 380 €	2 202 840 €
Total funding from SSNUP	81%	18 702 800 €	2 499 280 €	4 505 540 €	4 758 760 €	5 066 380 €	1 872 840 €
Co-funding from beneficiary organisations (TA only)	13%	3 000 000 €	440 000 €	720 000 €	780 000 €	840 000 €	220 000 €
Co-funding from other ressources (TA only)	6%	1 500 000 €	220 000 €	360 000 €	390 000 €	420 000 €	110 000 €

* To be fundraised

SSNUP Total Contributions	% Total Contributions	Total	2025 May-Dec	2026	2027	2028	2029 Jan-Apr
Total funding from SSNUP	81%	18 702 800 €	2 499 280 €	4 505 540 €	4 758 760 €	5 066 380 €	1 872 840 €
Total funding raised	54%	12 430 000 €	3 525 000 €	3 200 000 €	3 200 000 €	2 355 000 €	150 000 €
MFA	17%	4 000 000 €	1 200 000 €	1 040 000 €	1 040 000 €	720 000 €	- €
SDC	30%	6 930 000 €	2 100 000 €	1 785 000 €	1 785 000 €	1 260 000 €	- €
LED	6%	1 500 000 €	225 000 €	375 000 €	375 000 €	375 000 €	150 000 €
Cumulated additional funding to be mobilised (incl. derisking mechanism)			- €	279 820 €	1 838 580 €	4 549 960 €	6 272 800 €
Yearly additional funding to be mobilised (incl. de-risking mechanism)	27%	6 272 800 €	- 1 025 720 €	1 305 540 €	1 558 760 €	2 711 380 €	1 722 840 €
Co-funding from beneficiary organisations (TA only)	13%	3 000 000 €	440 000 €	720 000 €	780 000 €	840 000 €	220 000 €
Co-funding from other ressources (TA only)	6%	1 500 000 €	220 000 €	360 000 €	390 000 €	420 000 €	110 000 €
Total contributions	100%	23 202 800 €	3 159 280 €	5 585 540 €	5 928 760 €	6 326 380 €	2 202 840 €

SSNUP can be scaled to manage more - or less - co-funding than envisioned in this table (additional funding to be mobilised including de-risking mechanism).

³⁶ See [Annex 5 - Detailed budget](#)



ANNEXES

Annex 1 – Implementation map

Annex 2 – Institutional setup

Annex 3 – Role of the coordinator

Annex 4 - Timeline (2025 - 2029)

Annex 5 – Detailed budget

Annex 6 – Theory of change and Logical Framework

Annex 7 – Monitoring & Evaluation plan

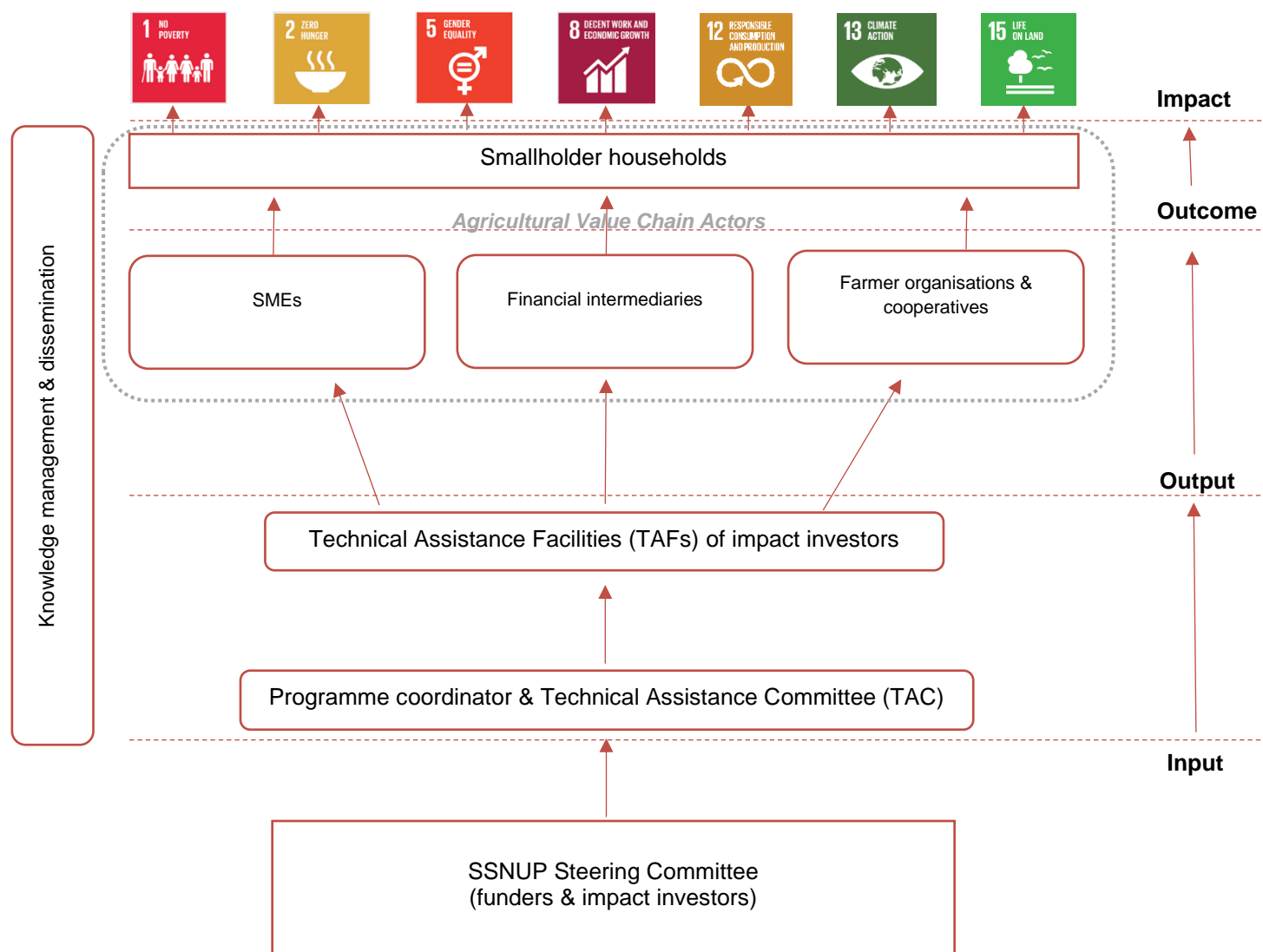
Annex 8 - Investor eligibility criteria, process & budget

Annex 9 - Priority topic detailed criteria

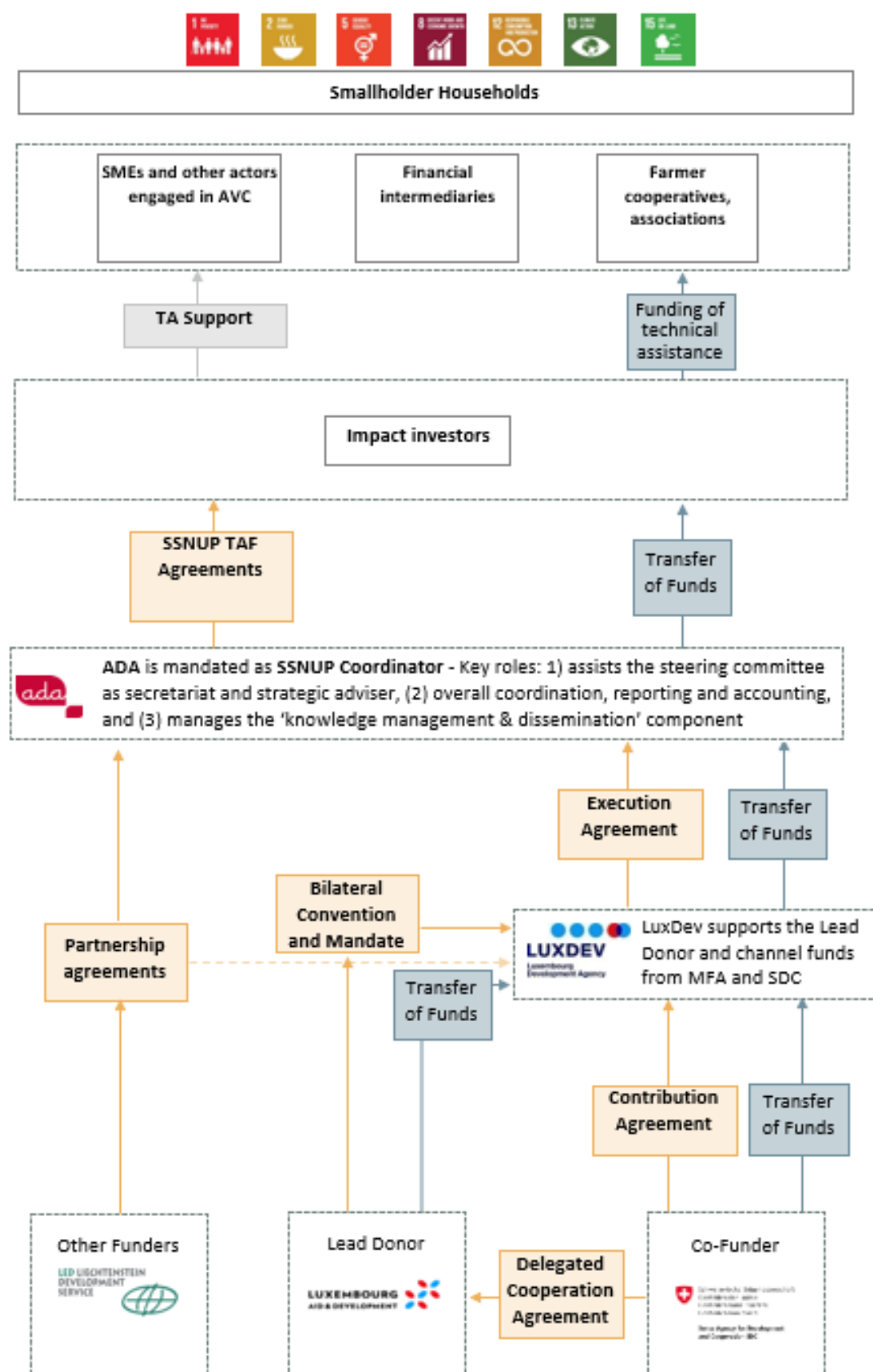
Annex 10 - Financial leveraging diagram



ANNEX 1 – IMPLEMENTATION MAP



ANNEX 2 – INSTITUTIONAL SETUP





ANNEX 3 – ROLE OF THE COORDINATOR

ADA is nominated as Programme coordinator and is therefore required to accomplish the following tasks:

- Overall coordination:
 - relationship with the different partners involved, including the conclusion of standard implementation agreements with each SSNUP investor.
 - communication on the programme vis-à-vis the general public, responding to the specific information needs of the different funders, incl. the management of the SSNUP website.
 - advise the investors on all the TA related processes, documentation and eligibility criteria to access SSNUP funding.
 - organisation of the Steering Committee and Funder Committee meetings.
 - provide the required information for an independent external evaluation, which will take place in Q3-4 2028.
- Monitor the TA operations of the investors and manage the SSNUP reporting process (i.e., by collecting relevant information from the investors, and preparing the annual SSNUP report).
- Manage the knowledge management component of SSNUP.
- Provide strategic-technical advice to the SC members on the overall strategy of SSNUP, its impact framework, its eligibility criteria for TA projects, the identification and selection of investors, its priorities for the knowledge management component and policy dialogue partners, and so forth.
- Assume the financial and administrative management of SSNUP by managing the SSNUP disbursements to the investors, monitoring the fund utilisation, preparing annual financial reports for the funders, organising external audit of the SSNUP escrow account, and so forth.
- Participate as a support member in the TA Committee.



ANNEX 4 - TIMELINE (2025 - 2029)

Phase II	2025			2026				2027				2028				2029	
	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2	Q3	Q4	Q1	Q2
Launch of Phase II																	
Launch of de-risking mechanism																	
Steering Committee																	
TA Committees																	
Stakeholder Workshop																	
Investors reporting																	
Annual report																	



ANNEX 5 – DETAILED BUDGET

Detailed budget													
Technical Assistance projects		Total Phase II		2025 (May-Dec)		2026		2027		2028		2029 (Jan-Apr)	
	Per-unit price	units	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount
AVCA's supported with TA	60,000	250	15,000,000	37	2,200,000	60	3,600,000	65	3,900,000	70	4,200,000	18	1,100,000
Co-funding from SSNUP (70%)			10,500,000	70%	1,540,000	70%	2,520,000	70%	2,730,000	70%	2,940,000	70%	770,000
Co-funding from investees (10-25%)			3,000,000	20%	440,000	20%	720,000	20%	780,000	20%	840,000	20%	220,000
Co-funding from other ressources			1,500,000	10%	220,000	10%	360,000	10%	390,000	10%	420,000	10%	110,000
TAC management costs			262,800		38,400		63,000		68,400		73,800		19,200
Expert representative from the funders	900	116	104,400	16	14,400	28	25,200	30	27,000	34	30,600	8	7,200
Expert representative from the Coordinator	900	176	158,400	27	24,000	42	37,800	46	41,400	48	43,200	13	12,000
TAF Management fees (12% of SSNUP co-funding)			1,260,000	12%	184,800	12%	302,400	12%	327,600	12%	352,800	12%	92,400
Incentives for LDC (+ 2% management fee)			126,000	2%	18,480	2%	30,240	2%	32,760	2%	35,280	2%	9,240
Total			16,648,800		2,441,680		3,995,640		4,328,760		4,661,880		1,220,840
Sub-total from SSNUP Funders			11,257,960		1,781,680		2,915,640		3,158,760		3,401,880		890,840

De-risking mechanism		Total Phase II		2025 (May-Dec)		2026		2027		2028		2029 (Jan-Apr)	
	Per-unit price	units	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount
Studies, conception, identification and coordination		-	230,000	-	50,000	-	50,000	-	50,000	-	50,000		30,000
De-risking mechanism*		-	2,000,000	-	-	-	500,000	-	500,000	-	500,000		500,000
Total			2,230,000		50,000		550,000		550,000		550,000		530,000

* To be fundraised

Knowledge management & dissemination		Total Phase II		2025 (May-Dec)		2026		2027		2028		2029 (Jan-Apr)	
	Per-unit price	units	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount
KM & communication coordination costs			855,680		142,613		213,920		213,920		213,920		71,307
Senior KM staff (ADA)	850	88	74,800	15	12,467	22	18,700	22	18,700	22	18,700	7	6,233
KM staff (ADA)	700	800	560,000	133	93,333	200	140,000	200	140,000	200	140,000	67	46,667
Communication staff (ADA)	570	264	150,480	44	25,080	66	37,620	66	37,620	66	37,620	22	12,540
External communication support	800	88	70,400	15	11,733	22	17,600	22	17,600	22	17,600	7	5,867
Perception surveys		20	630,000	3	63,000	5	157,500	5	157,500	5	157,500	2	94,500
External service providers	30,000	20	600,000	2	60,000	5	150,000	5	150,000	5	150,000	3	90,000
Survey coordination support (investors)	1,500	20	30,000	2	3,000	5	7,500	5	7,500	5	7,500	3	4,500
Thematic studies and other KM products (production)			575,000		80,000		140,000		147,500		155,000		52,500
External service providers	50,000	4	200,000	0.5	25,000	1	50,000	1	50,000	1	50,000	0.5	25,000
Contribution to indepth outcome measurement (investors)	1,500	250	375,000	37	55,000	60	90,000	65	97,500	70	105,000	18	27,500
Annual report and other KM products (design and formatting)	800	50	40,000	10	8,000	10	8,000	10	8,000	10	8,000	10	8,000
SSNUP convention & Stakeholder workshops	25,000	5	155,000	1	55,000	1	25,000	1	25,000	1	25,000	1	25,000
Capacity building activities for investors	10,000	4	40,000	1	10,000	1	10,000	1	10,000	1	10,000		
Content production (videos, photos, flyers, brochures, etc.)	15,000	8	120,000	1	15,000	2	30,000	2	30,000	2	30,000	1	15,000
Field visits	5,000	8	40,000	2	10,000	2	10,000	2	10,000	2	10,000		
Participation to panels in global/regional events	3,000	8	24,000	1	3,000	2	6,000	2	6,000	2	6,000	1	3,000
SSNUP website management & development	6,000	4	24,000	1	6,000	1	6,000	1	6,000	0.5	3,000	0.5	3,000
Total			2,503,680		392,613		606,420		613,920		618,420		272,307











Evaluation and Financial Audit	Per-unit price	Total Phase II		2025 (May-Dec)		2026		2027		2028		2029 (Jan-Apr)	
		units	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount
Programme evaluation	60,000	1.00	60,000	-	-	-	-	-	-	1	60,000		
Financial audit of the programme		-	15,500				3,500		3,500		3,500		5,000
Financial audit of the TAFs	4,000	46	184,000			10	40,000	12	48,000	12	48,000	12	48,000
Total			259,500		-		43,500		51,500		111,500		53,000

Programme Coordination	Per-unit price	Total Phase II		2025 (May-Dec)		2026		2027		2028		2029 (Jan-Apr)	
		units	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount	units/rate	total amount
Coordination costs			1,520,820		268,320		379,980		374,580		374,580		123,360
<i>Senior programme coordination staff (ADA)</i>	850	800	680,000	133	113,333	200	170,000	200	170,000	200	170,000	67	56,667
<i>Programme coordination staff (ADA)</i>	700	880	616,000	147	102,667	220	154,000	220	154,000	220	154,000	73	51,333
<i>Senior supervising staff (ADA)</i>	900	189	170,100	48	43,200	47	42,300	41	36,900	41	36,900	12	10,800
<i>Financial & administrative staff (ADA)</i>	570	96	54,720	16	9,120	24	13,680	24	13,680	24	13,680	8	4,560
Expenses related to Steering Committee meetings, travels, administration and miscellaneous			40,000		6,667		10,000		10,000		10,000		3,333
Total			1,560,820		274,987		389,980		384,580		384,580		126,693



ANNEX 6 - THEORY OF CHANGE AND LOGICAL FRAMEWORK

THEORY OF CHANGE

Impact	Smallholder households improve their livelihoods as contributors to sustainable agrifood systems <div>         </div>			
Outcomes	SHs (Livelihood)	Impact investors (Investments)	AVCAs (Market development)	Agrifood system entities (Knowledge)
	Sustainable improvement of productivity, income and resilience	Increased investments in untapped and underserved agricultural markets	Sustainable growth through sales or portfolio growth, job creation, attraction of additional investments and adoption of sustainable management practices	Promote and/or adopt sustainable food production, processing, distribution and nutritious consumption practices
Outputs	Smallholder households use: <ul style="list-style-type: none"> - New/improved financial services - Capacity building services - Market access solutions - Sustainable inputs and equipment - Relevant information 	Investors: <ul style="list-style-type: none"> - Provide financial and technical support that meets the needs of their AVCAs and SHs - Use/benefit from de-risking mechanism(s) - Engage in a community of practice to share experiences and build knowledge 	AVCAs: <ul style="list-style-type: none"> - Provide new/improved products and services to smallholder farmers - Improve efficiencies and management systems - Access additional investments 	<ul style="list-style-type: none"> - Lessons learnt from SSNUP are disseminated among local and international agrifood system entities - Local service providers are involved in SSNUP TA projects to strengthen local ecosystems
Activities	<ul style="list-style-type: none"> - Provision and management of various tools (targeted TA funding other de-risking mechanisms and discussion/exchange platform) dedicated to impact investors active in the agricultural sector - Production and dissemination of knowledge based on SSNUP experience 			
Resources	<ul style="list-style-type: none"> - Knowledge and experience of agricultural markets in emerging economies from investors <ul style="list-style-type: none"> - Funding from funders - Experience of TA coordination from ADA 			



LOGICAL FRAMEWORK (long version)

Impact: Smallholder households improve their livelihoods as contributors to sustainable agrifood systems

If **smallholder households** have access and use the products and services they need through their interaction with **AVCAs** that **impact investors** support both technically and financially,

Then, they will improve their **livelihoods** and **resilience** to shocks and stresses within sustainable agrifood systems

Because their **productivity**, **capacity** and **income level** will have increased and because they will contribute to **agrifood systems** where AVCAs sustainably grow, and impact investors keep investing

Outcome 1 – Livelihood: Smallholder households use new/improved financial services, capacity building services and market-access solutions in a way that improves their agricultural practices, productivity, capacity to absorb shocks, income levels and food and nutrition security.

Outcome 1 KPI

Percentage of smallholder households using at least one solution (capacity building, financial services, market access solutions) reporting one or more outcomes:

- sustainable production practices adopted*
- improved productivity
- improved income*
- improved capacity to absorb climate shocks (*projects on climate resilience only*)
- improved decision power, self-confidence, skills, etc. (*women benefiting from projects on gender only*)
- improved working conditions, bargaining power, increased economic transactions (*projects on value chain approach only*)
- improved food security and nutrition (*projects on food security and nutrition only*)

* The number of smallholder farmers applying agroecological practices (SDC ARI2) and the number of smallholder farmers with increased net income from agricultural production (SDC ARI 1) will be estimated on the basis of self-declaration from smallholder farmers in the framework of surveys with a sample of smallholder farmers benefiting from a sample of TA projects. Estimations will come from extrapolation on the basis of statistically representative samples of smallholder farmers per project, and the identification of projects that provide the same type of services as the projects selected for the surveys.

Assumptions

- ☐ outcomes 2 and 3 occur
- ☐ sufficient infrastructure and logistics are in place at the local level for smallholder households to have access to the services
- ☐ smallholder households are willing to interact with AVCAs supported by impact investors



Output 1.1 New/improved financial services are available and used by smallholder households.	Output 1.2 Capacity building services are delivered to smallholder households.	Output 1.3 Solutions are available to smallholder households to access sustainable inputs, equipment, market and relevant information.
Providers <i>Financial services (credit, insurance, savings) are made available by AVCAs (financial intermediaries only) and used by smallholder farmers and/or households.</i>	Providers <i>Capacity building services (financial literacy, technical support for the adoption of sustainable practices, and business management) are made available by AVCAs and used by smallholder farmers and/or households.</i>	Providers <i>Market access solutions (transaction facilitation, development of a new product or targeting a new market, certification of products) are made available by AVCAs and used by smallholder farmers and/or households.</i>
Outputs overarching KPIs Number of smallholder farmers using at least one solution offered through the AVCAs Number of smallholder farmers directly or indirectly benefiting from the support provided to the AVCAs Number of women benefiting from projects aiming at reducing gender inequalities Number of smallholder farmers benefiting from projects aiming at improving their climate resilience and/or preserve the environment Number of smallholder farmers benefiting from projects aiming at improving their integration in value chains Number of smallholder farmers benefiting from projects aiming at improving their food and nutrition security		
Output 1.1 KPIs	Output 1.2 KPIs	Output 1.3 KPIs
Number of smallholder farmers using the new/improved financial services	Total number of smallholder farmers benefiting from capacity building/training (SDC ARI3), among which:	Number of smallholder farmers that became certified for organic, fair-trade or other farm production labels
	<ul style="list-style-type: none"> - Number of smallholder farmers trained in sustainable farm practices <ul style="list-style-type: none"> - Number of smallholder farmers trained in <u>agroecological practices</u> - Number of smallholder farmers trained in <u>organic practices</u> 	
	<ul style="list-style-type: none"> - Number of smallholder farmers trained in financial literacy 	Number of smallholder farmers accessing markets/inputs and equipment/information through new/improved digital platforms or another type of solution
	<ul style="list-style-type: none"> - Number of smallholder farmers trained in business management 	



Activities

- **Impact investors** identify the needs of smallholder farmers and design client centric TA projects with their current or future investees (which are Agricultural Value Chain Actors – AVCAs) to address the needs.
- **SSNUP coordinator and TAC** advise the impact investors on TA related topics such as processes, documentation and eligibility criteria.
- **SSNUP coordinator** manages TA project approval process.
- **Impact investors** implement TA projects with AVCAs focusing on developing new/improving services and solutions for smallholder farmers.
- **Impact investors and SSNUP coordinator** monitor the TA operations and manage the SSNUP reporting process.

Outcome 2 – Investments: Impact investors increase investments in untapped and underserved agricultural markets in a way that continues to serve smallholders in evolving market and production environments.

Outcome 2 KPIs

Number of impact investors reporting one or more outcomes:

- Increased total agricultural portfolio
- Increased investments in LDCs
- Additional investees following pre-investment TA and/or use of pre-investment de-risking mechanisms

Number of impact investors reporting that SSNUP (through TA funding and/or de-risking mechanisms) contributed to these outcomes

Average growth rate of impact investors agricultural portfolio

Average growth rate of investments in LDCs

Number of additional investees following pre-investment TA and/or use of de-risking mechanisms

Percentage of new investees among the organisations benefiting from TA and/or de-risking mechanisms

Assumptions

- ☐ *blended finance remains a priority for funders*
- ☐ *impact investors are not constrained by regulations to invest in some countries*
- ☐ *there are sufficient de-risking providers and mechanisms in the market, and the currency market remains stable*
- ☐ *qualitative TA providers are available at the local level*
- ☐ *impact investors recognise the importance of the community of practice*



Output 2.1 Impact investors provide technical support that meets the needs of their existing of potential investees.	Output 2.2 Impact investors use/benefit from external financial de-risking mechanism(s).	Output 2.3 Incentives are made available by the programme coordinator for impact investors to support AVCAs in LDCs.	Output 2.4 Impact investors engage in a community of practice to share experiences and build knowledge.
Providers <i>Investees are AVCAs that are in direct contact with smallholder farmers. SSNUP technical assistance enables impact investors enhance the investability of AVCAs and/or to de-risk their investments.</i>	Providers <i>Through its broker role, SSNUP facilitates the provision of guarantees, currency hedging and other de-risking mechanisms to impact investors as their long-term, reliable partner.</i>	Providers <i>Financial (i.e., increased management fees) and non-financial incentives (i.e., capacity building) are made available by SSNUP for impact investors providing TA to AVCAs located in LDCs and/or whose projects are aligned with SSNUP priority topics.</i>	Providers <i>SSNUP coordinator brings impact investors together in a community of practice to facilitate direct exchanges and steer the development and sharing of knowledge.</i>
Outputs overarching KPIs Number of partner impact investors Share of TA project budget allocated to LDCs and sub-Saharan Africa Number and percentage of TA projects addressing priority topics (nutrition sensitive, adoption of agroecological practices, reducing gender inequalities, adopting value chain approach) Average satisfaction level of SSNUP partner investors			
Output 2.1 KPIs	Output 2.2 KPIs	Output 2.3 KPIs	Output 2.4 KPIs
Number of TA projects implemented by impact investors	Number of mechanism(s) launched, or initiatives partnered with	Number of impact investors using financial incentives	Number of impact investors sharing their experience in online or face-to-face SSNUP events
Average satisfaction level of AVCAs benefiting from TA projects implemented by impact investors	Number of impact investors using de-risking mechanisms via SSNUP	Number of participant impact investors in trainings and workshops	
Activities Output 2.1 <ul style="list-style-type: none">– SSNUP coordinator and TAC analyse the proposed TA projects through a SSNUP priority topics lens.– TAC ensures the criteria are respected in the TA selection process.– SSNUP coordinator ensures that TA projects covering SSNUP priority topic(s) maintain their classification as priority topic projects during implementation. Output 2.2			



- **SSNUP coordinator** analyses landscape of existing de-risking mechanisms.
- **SSNUP coordinator** identifies existing mechanisms and/or initiatives that would best align with the objectives of the programme.
- **SSNUP coordinator** partners with existing or develop new de-risking mechanism(s).
- **SSNUP coordinator** launches and makes available mechanism(s) to impact investors.

Output 2.3

- **SSNUP coordinator** identifies capacity building needs of impact investors and develop partnerships with organisations that can provide services to respond to those needs.
- **SSNUP coordinator** provides the guidelines, resources and capacity building services to impact investors.

Output 2.4

- **SSNUP coordinator** develops a platform for sharing experiences and building knowledge amongst impact investors.
- **SSNUP coordinator** identifies new impact investors.

Outcome 3 – Market development: Agricultural value chain actors (AVCAs) sustainably grow through sales or portfolio growth, job creation, attraction of additional investments and adoption of practices contributing to the sustainability of agrifood systems.

Outcome 3 KPIs

Percentage of AVCAs supported reporting one or more outcomes:

- Increase in AVCAs agricultural portfolio/amount of sales
- Increase in the number of employees
- Attraction of additional investment attributed to TA and/or de-risking mechanism(s)
- Adoption of practices contributing to the sustainability of agrifood systems

Average growth rate of agricultural portfolio/amount of sales among AVCAs reporting an increase

Average growth rate of number of employees among AVCAs reporting an increase

Number of total additional employees among AVCAs supported

Total and average amount (EUR) of additional investments raised by AVCAs supported, and percentage of this amount at least partially attributed by AVCAs to the TA received or de-risking mechanism

Assumptions

- ☐ *an enabling political and economic environment (rule of law, availability of working force, availability of raw materials, etc.) is in place*
- ☐ *AVCAs have the capacity and are willing to mobilise resources and time to improve their practices*



Output 3.1 AVCAs provide new/improved products and services to smallholder farmers contributing to the sustainability of agrifood systems.	Output 3.2 AVCAs improve efficiencies and management systems.	Output 3.3 AVCAs with low or no access to commercial capital benefit (directly or indirectly) from de-risking mechanism(s) and build a track record to attract more investments in the future.
<p>Providers</p> <p><i>Impact investors provide support to AVCAs by contracting TA providers to develop and/or improve their products and services to smallholder farmers in terms of market access (transaction facilitation, new product or market, certification of products), financial services (credit, insurance, savings) and/or capacity building (financial literacy, technical support, business management). These products and services can contribute to the adoption of agroecological practices and be nutrition-sensitive.</i></p>	<p>Providers</p> <p><i>Impact investors provide support to AVCAs by contracting TA providers to improve their management systems in terms of business strategy/management, digitalisation, E&S performance, financial management, operational management, risk management and/or certification of internal processes. The improvement of these management systems can ultimately contribute to the adoption of agroecological practices and/or to food and nutrition security.</i></p>	<p>Providers</p> <p><i>Impact investors use de-risking mechanisms alongside TA through the SSNUP programme to (better) support their investments in AVCAs. Even if AVCAs are not yet investees, the de-risking mechanisms still apply and help AVCAs build a track record, enhancing their investability for future investment opportunities.</i></p>
<p>Outputs overarching KPIs</p> <p>Number of AVCAs benefiting from TA projects</p>		
Output 3.1 KPIs	Output 3.2 KPIs	Output 3.3 KPIs
<p>Number of AVCAs benefiting from support to develop products and services to be used by smallholder farmers</p> <ul style="list-style-type: none"> - Number of AVCAs benefiting from support to develop products and services <u>contributing to food and nutrition security</u> - Number of AVCAs benefiting from support to develop products and services <u>contributing to the adoption of agroecological practices</u> 	<p>Number of AVCAs benefiting from support to improve their management systems</p> <ul style="list-style-type: none"> - Number of AVCAs benefiting from support to improve management systems <u>contributing to food and nutrition security</u> - Number of AVCAs benefiting from support to improve management systems <u>contributing to the adoption of agroecological practices</u> 	<p>Number of AVCAs benefiting from de-risking mechanism(s) via SSNUP</p>



Activities

Outputs 3.1 and 3.2

- **Impact investors** identify the needs of AVCAs to develop products and services for smallholder farmers that will strengthen and secure their business relationships with them, and design TA projects to address the needs.
- **SSNUP coordinator** advises the impact investors on TA related topics.
- **SSNUP coordinator** manages TA project approval process.
- **TAC** ensures the criteria are respected in the TA selection process.
- **Impact investors** implement TA projects focusing on developing new/improved products and services to be used by smallholder farmers and/or on improving AVCAs' management systems.
- **Impact investors and SSNUP coordinator** monitor the TA operations and manage the SSNUP reporting process.

Output 3.3

- **Impact investors** identify AVCAs with low or no access to commercial capital.
- **Impact investors** use the de-risking mechanism offered by SSNUP to invest in these AVCAs.
- **SSNUP coordinator** monitors the use of de-risking mechanism.

Outcome 4 – Knowledge: Agrifood system entities³⁷ beyond SSNUP engage with sustainable food production, processing, distribution and nutritious consumption practices.

Outcome 4 KPIs

Number and percentage of agrifood system entities considering SSNUP experience/products useful for their daily activities, by type

Number and percentage of agrifood system entities reporting a change in their practices based on SSNUP experience/products, by type

Assumptions

- ☐ *sustainable foods systems remain a priority for agrifood entities*
- ☐ *agrifood system entities are willing to adopt a learning strategy*

³⁷ Agrifood system entities refer to all actors (local or international) involved in or supporting food production, processing, distribution and consumption, including but not restricted to the AVCAs, investors, technical assistance providers and funders directly participating to SSNUP



Output 4.1 Lessons learnt through SSNUP experience and practices are curated to establish a knowledge platform.	Output 4.2 Lessons learnt from SSNUP are disseminated among local and international agrifood system entities.	Output 4.3 Local service providers are involved in TA projects to strengthen local ecosystems.
Providers <i>The SSNUP coordinator collects (via impact investors), consolidates and analyses the results of TA projects in order to design knowledge products that make it possible to draw out and capture programme-level lessons learnt, best practices and recommendations for impact investors, thereby creating a knowledge platform for its partners.</i>	Providers <i>The SSNUP coordinator facilitates the dissemination of the programme learnings through its partnerships with key knowledge actors, its contribution to agrifood systems related networks and working groups, and its participation to worldwide sectoral events around the globe.</i>	Providers <i>Impact investors are encouraged by the SSNUP coordinator and the TAC to contract local/regional service providers, when possible (availability of a database, guidelines, tailored advice), to enhance workforce upskilling at the local level.</i>
Output 4.1 KPI	Output 4.2 KPIs	Output 4.3 KPIs
Number of KM products published	Number of local or international entities informed of SSNUP experience and lessons learnt (through publications downloads, participation to events, newsletter registrations, etc.)	Number and percentage of TA projects mobilising local service providers Number of local service providers mobilised in TA projects funded by SSNUP
Activities Output 4.1 <ul style="list-style-type: none"> – SSNUP coordinator implements the learning agenda of the programme. – SSNUP coordinator develops and publishes the knowledge products of the programme – SSNUP coordinator ensures the steady circulation of the knowledge generated among impact investors. Output 4.2 <ul style="list-style-type: none"> – SSNUP coordinator partners with knowledge partners. – SSNUP coordinator disseminates the knowledge products, communicates on them via its web tools (newsletter, website, social media) and promotes SSNUP lessons during sectoral events. Output 4.3 <ul style="list-style-type: none"> – SSNUP coordinator and TAC advise impact investors to ensure local or regional TA service providers are always given priority, where their quality and availability is assured. 		



ANNEX 7 – MONITORING & EVALUATION PLAN

Level	Code	KPI	Unit	Results Phase I	Target Phase II	Mean of verification	Reporting
Outcome	1	<p>Percentage of smallholder households using at least one service or solution (capacity building, financial services, market access solutions) reporting one or more outcomes:</p> <ul style="list-style-type: none"> ○ sustainable production practices adopted ○ improved productivity ○ improved income ○ improved capacity to absorb climate shocks <i>(projects on climate resilience only)</i> ○ improved decision power, self-confidence, skills, etc. <i>(women benefiting from projects on gender only)</i> ○ improved working conditions, bargaining power, increased economic transactions <i>(projects on value chain approach only)</i> ○ improved food security and nutrition <i>(projects on food security and nutrition only)</i> 	%	-	80 ³⁸	Perception surveys with smallholder farmers and other TA project stakeholders <i>on a limited number of projects (due to the cost of collecting such data) and disaggregated at least by gender and age group³⁹, where relevant, to highlight results of projects targeting youth.</i>	Mid Phase II Final
Outcome	2	<p>Number of impact investors reporting one or more outcomes:</p> <ul style="list-style-type: none"> ○ Increased total agricultural portfolio ○ Increased investments in LDCs ○ Additional investees following pre-investment TA and/or use of pre-investment de-risking mechanisms 	Number	-	12	Investor annual reporting	Mid Phase II Final
Outcome	2	Number of impact investors reporting that SSNUP (through TA funding and/or de-risking mechanisms) contributed to these outcomes	Number	-	12	Interviews with investors	Mid Phase II Final

³⁸ The assumption is that it is unrealistic to expect 100% of users of products or services to derive positive effects from them, as many other factors may influence these effects

³⁹ According to the African Youth Charter, adopted on 2 July 2006 by the Member States of the African Union (page 3), "Youth" or "Young people" shall refer to every person between the ages of 15 and 35 years. [https://natlex.ilo.org/dyn/natlex2/natlex2/files/download/78272/ORG-78272%20\(EN\).pdf](https://natlex.ilo.org/dyn/natlex2/natlex2/files/download/78272/ORG-78272%20(EN).pdf)



Outcome	2	Average growth rate of impact investors agricultural portfolio	%	-	-	Investor annual reporting	Mid Phase II Final
Outcome	2	Average growth rate of investments in LDCs	%	-	-	Investor annual reporting	Mid Phase II Final
Outcome	2	Number of additional investees following pre-investment TA and/or use of de-risking mechanisms	Number	-	-	Investor annual reporting	Mid Phase II Final
Outcome	2	Percentage of new investees among the organisations benefiting from TA and/or de-risking mechanisms	%	-	-	Investor annual reporting	Mid Phase II Final
Outcome	3	Percentage of ACVAs supported reporting one or more outcomes: Increase in AVCA's agricultural portfolio / amount of sales Increase in the number of employees Attraction of additional investment that can at least be partially attributed to TA and/or de-risking mechanism(s) Adoption of practices contributing to the sustainability of agrifood systems	%	-	80 ⁴⁰	TA project bi-annual and completion reports Interviews with AVCA's	Annual
Outcome	3	Average growth rate of agricultural portfolio/amount of sales among AVCA's reporting an increase	%	-	-	TA project bi-annual and completion reports Interviews with AVCA's	Annual
Outcome	3	Average growth rate of number of employees among AVCA's reporting an increase	%	-	-	TA project bi-annual and completion reports Interviews with AVCA's	Annual

⁴⁰ The assumption is that it is unrealistic to expect 100% of AVCA's to derive such long-term outcomes from TA, as many other factors may influence them.



Outcome	3	Number of total additional employees among AVCAs supported	Number	-	-	TA project bi-annual and completion reports Interviews with AVCAs	Annual
Outcome	3	Total amount (in EUR) of additional investments raised by AVCAs supported	EUR	111,108,162 (30/06/2024)	-	TA project bi-annual and completion reports Interviews with AVCAs	Annual
Outcome	3	Average amount (in EUR) of additional investments raised by AVCAs supported	EUR	-	-	TA project bi-annual and completion reports Interviews with AVCAs	Annual
Outcome	3	Percentage of additional investments raised by AVCAs supported at least partially attributed by AVCAs to the TA received or de-risking mechanism <i>* Partially attributed = the AVCA answered 3, 4 or 5 on a scale going from 1 (not at all) to 5 (totally), to the question "To what extent do you consider that the TA you received enabled your organisation to raise the additional investments you reported?"</i>	%	-	-	TA project bi-annual and completion reports Interviews with AVCAs	Annual
Outcome	4	Number of agrifood system entities considering SSNUP experience/products useful for their daily activities, by type	Number	-	-	Online surveys with users of SSNUP knowledge products	Mid Phase II Final
Outcome	4	Percentage of agrifood system entities considering SSNUP experience/products useful for their daily activities, by type	%	-	-	Online surveys with users of SSNUP knowledge products	Mid Phase II Final
Outcome	4	Number of agrifood system entities reporting a change in their practices based on SSNUP experience/products, by type	Number	-	-	Online surveys with users of SSNUP knowledge products	Mid Phase II Final
Outcome	4	Percentage of agrifood system entities reporting a change in their practices based on SSNUP experience/products, by type	%	-	-	Online surveys with users of SSNUP knowledge products	Mid Phase II Final
Output	1	Number of smallholder farmers using at least one service or solution offered through the AVCAs	Number	501,412 (30/06/2024)	1,000,000	TA project bi-annual and completion reports	Annual



Output	1	Number of smallholder farmers directly or indirectly benefiting from the support provided to the AVCAs	Number	1,022,567 (30/06/2024)	5,000,000 ⁴¹	TA project bi-annual and completion reports	Annual
Output	1	Number of women benefiting from projects aiming at reducing gender inequalities	Number	-	-	TA project bi-annual and completion reports	Annual
Output	1	Number of smallholder farmers benefiting from projects aiming at improving their climate resilience and/or preserve the environment	Number	-	-	TA project bi-annual and completion reports	Annual
Output	1	Number of smallholder farmers benefiting from projects aiming at improving their integration in value chains	Number	-	-	TA project bi-annual and completion reports	Annual
Output	1	Number of smallholder farmers benefiting from projects aiming at improving their food and nutrition security	Number	-	-	TA project bi-annual and completion reports	Annual
Output	1.1	Number of smallholder farmers using the new/improved financial services	Number	97,556 (30/06/2024)	-	TA project bi-annual and completion reports	Annual
Output	1.2	Number of smallholder farmers trained in sustainable farm practices	Number	90,802 (30/06/2024)	-	TA project bi-annual and completion reports	Annual
Output	1.2	Number of smallholder farmers trained in agroecological practices	Number	-	-	TA project bi-annual and completion reports	Annual
Output	1.2	Number of smallholder farmers trained in organic practices	Number	-	-	TA project bi-annual and completion reports	Annual
Output	1.2	Number of smallholder farmers trained in financial literacy	Number	183,043 (30/06/2024)	-	TA project bi-annual and completion reports	Annual

⁴¹ This figure corresponds to the expected number of smallholder farmers interacting with the AVCAs supported with SSNUP TA, as financial intermediaries' clients, farmer organisations' members, or SMEs' suppliers or clients. The assumption is that the support provided to AVCAs, even without focusing on the development of a product or service dedicated to farmers, may in the longer term indirectly benefit the farmers they interact with, if they sustainably grow thanks to the TA. This figure will also represent the broader outreach of the programme.



Output	1.2	Number of smallholder farmers trained in business management	Number	-	-	TA project bi-annual and completion reports	Annual
Output	1.3	Number of smallholder farmers that became certified for organic, fair-trade or other farm production labels	Number	22,826 (30/06/2024)	-	TA project bi-annual and completion reports	Annual
Output	1.3	Number of smallholder farmers accessing markets/inputs and equipment/information through new/improved digital platforms or another type of solution	Number	284,920 (30/06/2024)	-	TA project bi-annual and completion reports	Annual
Output	2	Number of partner impact investors	Number	9	12	Contracts with partner impact investors	Annual
Output	2	Share of TA project budget allocated to LDCs	%	48 (31/12/2024)	-	TA project proposals TA project bi-annual and completion reports	Annual
Output	2	Share of TA project budget allocated to sub-Saharan Africa	%	72 (31/12/2024)	67	TA project proposals TA project bi-annual and completion reports	Annual
Output	2	Number of TA projects addressing priority topics (nutrition sensitive, adoption of agroecological practices, reducing gender inequalities, adopting value chain approach – see Annex 9 for criteria)	Number	-	-	TA project proposals TA project bi-annual and completion reports	Annual
Output	2	Percentage of TA projects addressing priority topics (nutrition sensitive, adoption of agroecological practices, reducing gender inequalities, adopting value chain approach – see Annex 9 for criteria)	%	-	-	TA project proposals TA project bi-annual and completion reports	Annual
Output	2	Average satisfaction level of SSNUP partner investors	Number (Likert scale 1-5)	-	4/5	Online surveys Interviews	Mid Phase II Final



Output	2.1	Number of TA projects implemented by impact investors	Number	102 (31/12/2024)	120 ⁴²	TA project bi-annual and completion reports	Annual
Output	2.1	Average satisfaction level of AVCAs benefiting from TA projects implemented by impact investors	Number (Likert scale 1-5)	-	4/5	Interviews with AV CAs	Annual
Output	2.2	Number of mechanism(s) launched, or initiatives partnered with	Number	0	1	Contracts/MoUs	Final
Output	2.2	Number of impact investors using de-risking mechanisms via SSNUP	Number	0	-	Monitoring of intermediation activities	Annual
Output	2.3	Number of impact investors using financial incentives	Number	0	12	SSNUP financial reporting	Annual
Output	2.3	Number of participant impact investors in trainings and workshops	Number	-	12	Participation lists	Annual
Output	2.4	Number of impact investors sharing their experience in online or face-to-face SSNUP events	Number	-	12	Event agendas	Annual
Output	3	Number of AVCAs benefiting from TA projects	Number	215 (31/12/2024)	250	TA project bi-annual and completion reports	Annual
Output	3.1	Number of AVCAs benefiting from support to develop products and services to be used by smallholder farmers	Number	174 (31/12/2024)	-	TA project bi-annual and completion reports	Annual
Output	3.1	Number of AVCAs benefiting from support to develop products and services contributing to food and nutrition security (see Annex 9 for criteria)	Number	-	-	TA project bi-annual and completion reports	Annual
Output	3.1	Number of AVCAs benefiting from support to develop products and services contributing to the adoption of agroecological practices (see Annex 9 for criteria)	Number	-	-	TA project bi-annual and completion reports	Annual

⁴² In addition to the TA projects implemented in the framework of Call for Projects, it is assumed that each partner impact investor will implement at least 2 TA project per year.



Output	3.2	Number of AVCAs benefiting from support to improve their management systems	Number	175 (31/12/2024)	-	TA project bi-annual and completion reports	Annual
Output	3.2	Number of AVCAs benefiting from support to improve management systems contributing to food and nutrition security (see Annex 9 for criteria)	Number	-	-	TA project bi-annual and completion reports	Annual
Output	3.2	Number of AVCAs benefiting from support to improve management systems contributing to the adoption of the agroecological practices (see Annex 9 for criteria)	Number	-	-	TA project bi-annual and completion reports	Annual
Output	3.3	Number of AVCAs benefiting from de-risking mechanism(s) via SSNUP	Number	0	-	Contracts/MoUs	Annual
Output	4.1	Number of KM products published	Number	30 (31/12/2024)	-	SSNUP website	Annual
Output	4.2	Number of local or international entities informed of SSNUP experience and lessons learnt (through publications downloads, events participations, newsletter registrations, etc.)	Number	-	1,000	SSNUP website SSNUP events Newsletter	Mid Phase II Final
Output	4.3	Number of TA projects mobilising local service providers	Number	-	-	Completion reports	Annual
Output	4.3	Percentage of projects mobilising local service providers	%	-	-	Completion reports	Annual
Output	4.3	Number of local service providers mobilised in TA projects funded by SSNUP	Number	-	70	Completion reports	Annual

ANNEX 8 - INVESTOR ELIGIBILITY CRITERIA, PROCESS & BUDGET

Investor eligibility criteria

The below eligibility criteria are to be used as a guide for admitting new impact investor to the programme. The impact investor should adhere to the criteria related to the three main components:

1. Investment objectives, strategy, and impact theory

The impact investor:

- Manages one or more investment funds focused on strengthening/developing the agricultural sectors in the target regions of the programme.
- Follows a 'triple-bottom' line approach, complying with the environmental, social, and governance lending principles set by the Council of Smallholder Agricultural Finance (CSAF)⁴³ and promoting the adoption of sustainable farm practices and agroecological principles.

2. Experience, capacity and/or ambition with technical assistance

The impact investor has experience or has a willingness to offer specific TA to strengthen the impact of agricultural investments. This requires that:

1. The impact investor is already staffed with at least one specialist experienced in TA management or has identified at least one staff member who will be responsible for designing and managing the TA project(s) co-funded by SSNUP.
2. The impact investor has the experience or has access to expertise to identify issues and relevant solutions that could be developed/improved/delivered through a TA project.
3. The impact investor is committed to ensuring a clear link between the TA projects implemented and the current or potential investments.
4. The impact investor has defined or is ready to define operational procedures to manage TA projects that:
 - Ensure best value for money through diligent procurement to select best qualified service providers.
 - Enable to monitor TA projects effectively and cost-efficiently to allow for best results and achievement of expected deliverables.
5. The impact investor is able to separate the investment activities from the TA activities in terms of accounting and decision-making.

3. Committed to impact measurement and knowledge management

The impact investor is committed to cooperate with SSNUP to identify and share results and lessons learnt in accordance with SSNUP procedures.

A minimum of two projects must be approved per year to remain in the programme.

Process for new investor

A tender process will be put in place for the admission of new impact investors. It is planned that the first tender process will be launched in 2025. Initially, with the current funding, three new impact investors are envisaged join the programme, however, if other funding is raised, this could increase. Each new investor must be approved by the Funder Committee.

As for the 9 current impact investors from the Phase I, their participation in Phase II will be renewed automatically subject to signing a new agreement which will be in line with this Programme document and sharing the required updated documents concerning their investment portfolio, pipeline and administration documents.

Budget allocation

Each contracted impact investor (current or new) will be granted a budget envelope (a pre-allocated amount reserved for them) for the duration of the programme, which will be determined based on their portfolio, pipelines, and experience in TA.

⁴³ CSAF's ESG lending principles: <https://csaf.org/lending/esg-principles/>

ANNEX 9 – PRIORITY TOPICS CRITERIA

SSNUP will encourage projects that make significant contributions to one or several priority topics. However, all TA projects supported by SSNUP, at the very least, will be expected not to prejudice (or have a detrimental effect on) the priority topics, following a “do no harm” approach.

In practice, all TA project proposals will be required to justify how they will contribute to, or why they will not prejudice, each of the following priority topics based on the following criteria.

These criteria have been identified on the basis of widely recognized resources and references. In particular, the **agroecological principles defined by FAO⁴⁴ and by the High-Level Panel of Experts (HLPE) of the Committee on World Food Security⁴⁵** (both lists of principles being aligned) as well as the interventions listed in FAO’s publication on **Nutrition-sensitive agriculture and food systems in practice⁴⁶** are used as references to define the criteria enabling to identify projects directly contributing to the four priority topics. Indeed, these principles and interventions include a **variety of environmental, social and economic aspects** that can be linked to each of the four SSNUP priority topics. In order to facilitate the identification of projects contributing to each topic, each criterion is linked to one priority topic only, even though a lot of them are cross-cutting, given the interdependency of the development objectives behind priority topics.

As detailed per priority topic, **any project fulfilling the listed criteria and/or benefiting an organisation that already fulfils the criteria** is considered as directly contributing to the priority topic.

In the same way, these references are used to identify the safeguards preventing SSNUP from financing projects that could have a detrimental effect on these priority topics. These safeguards are applicable to all projects.

Any project corresponding to one of the listed red flags **will not be financed** by SSNUP.

REG FLAGS: such projects WILL NOT be financed by SSNUP	
GMOs	Projects focusing on the introduction of GMOs and associated genome-editing technologies.
Synthetics	Projects focusing on the promotion of synthetic fertilizers and pesticides.
Monoculture	Projects focusing exclusively on promoting large scale single cash crop production at the expense of diversified strategies. Projects supporting single cash crop production in farming areas where diversification exists, or which promote diversification are not concerned by the red flag.
Productivity	Projects focusing exclusively on productivity resulting in avoidable destruction of vital ecosystems and their functions and services.
Seed systems	Projects actively promoting regulations and/or actions that hamper and/or destroy local and farmer-managed seed systems.
Factory farming	Projects focusing on large-scale intensification of animal production.
Extractivism	Projects promoting extractive raw material production that depletes local resources over time.
Processed food	Projects focusing exclusively on promoting highly processed, industrially produced foods (with low nutrient value).
Harmful products	Projects focusing on promoting tobacco, alcohol, additives or any other agricultural products that are responsible for nutrition-related diseases.
Women & marginalised groups	Projects excluding or actively discriminating against women and other marginalised groups.
Human rights	Projects promoting approaches that violate rights, including customary rights, ignoring prior informed consent or resulting in population displacement and/or land grabbing.

⁴⁴ FAO, 2018. *The 10 elements of agroecology*.

⁴⁵ HLPE, 2019. *13 principles of agroecology*.

⁴⁶ FAO, 2017. *Nutrition-sensitive agriculture and food systems in practice*.

Environment and climate change

SSNUP aims to support TA projects that promote practices that are in accordance with the **agroecological principles relating to environmental aspects**. SSNUP relies on the Agroecology assessment framework⁴⁷ defined by the Agroecology coalition (based on HLPE principles) to identify the projects contributing directly to the “Environment and climate change” priority topic. In particular, 4 principles aiming at **strengthening resilience** and 2 principles aiming at **improving resource efficiency** listed in this framework were considered to define the criteria.

Any project aiming at facilitating the adoption of practices fulfilling **at least one of these 6 criteria** is considered as positively contributing to “Environment and Climate change” priority topic.

CRITERIA OF DIRECT POSITIVE CONTRIBUTION	
Soil health	Secure and enhance soil health and functioning for improved plant growth, particularly by managing organic matter and enhancing soil biological activity. E.g., vermicomposting, permaculture, natural farming, integrated diversified farming, organic agriculture, mulching, organic matter addition, cover crops, minimum tillage, deliberate fallow periods, animal integration for manure, prevention of soil erosion (terracing, zai pits, etc.), application of organic fertiliser and pesticide.
Biodiversity	Maintain and enhance diversity of species, functional diversity and genetic resources and thereby maintain overall agroecosystem biodiversity in time and space at field, farm and landscape scales. E.g., use a diversity of nutrient-rich crops, species and varieties including of local, traditional, indigenous or ‘orphan’ crops, locally adapted breeds and varieties, conservation of forest fragments around farms, conversion of field edges into woodlands, multi-year crop rotation, measures to enhance local and natural pollinators.
Animal health	Ensures highest standard of animal health and welfare, during entire life cycle with a focus on species-appropriate environment and locally adapted and resilient breeds. E.g., eliminate/reduce actively/significantly use of synthetic feeds and hormones - increase use of organic feeds, work with resilient, locally adapted and naturally healthful breeds, controlled grazing, species-appropriate environment (free range, grass-fed ruminants, foraging fowl, outdoors ideally all year round), align number of animals to carrying capacity of the land/water, preventative approach to disease, preferably with natural remedies/approaches, no separation of mother from young, no routine slaughter of baby males.
Synergy	Enhance positive ecological interaction, synergy, integration and complementarity among the elements of agroecosystems (animals, crops, trees, soil and water). E.g., non-crop plants for ecological functions, polycultures and mixed farming, cover cropping, green manures or permanent ground cover, intercropping, agroforestry, silvopasture, crop-tree-livestock-fish integration, tree windbreaks and living fences, legumes for nitrogen fixation, integrated pest management by habitat management (planting flowers to attract bees, etc.).
Input reduction	Reduce or eliminate dependency on purchased inputs and increase self-sufficiency. E.g., eliminate or actively/significantly reduce synthetic fertilisers, synthetic pesticides and veterinary drugs, industrial/imported feed, use farm-saved seeds or community seed banks or seed saver networks, drip irrigation, rainwater harvesting, harvester ponds, reduce energy consumption and/or produce renewable energy. This criterion may apply to other activities than production (processing, transport, etc.).
Recycling	Preferentially use local renewable resources and close as far as possible resource cycles of nutrients and biomass. E.g., produce and use own compost, manure including humanure, biofertilizer, active use of food waste, wastewater (greywater) & waste recycling, rainwater harvesting, reusable or recyclable packaging. This criterion may apply to other activities than production (processing, transport, etc.).

⁴⁷ Agroecology coalition, 2023. [Agroecology assessment framework](#).

Food security and improved nutrition

SSNUP aims to support TA projects that ensure **diversified, safe and nutritious food is available, affordable and accessible in adequate quantities for vulnerable populations** in intervention countries. This includes projects directly supporting the production, processing, distribution and/or consumption of diversified, safe and nutritious food (as defined by international organisations⁴⁸) in local markets.

SSNUP relies on FAO's publication *Nutrition-sensitive agriculture and food systems in practice*⁴⁹ as well as WHO's references on healthy diets⁵⁰ to identify the projects contributing directly to "Food security and nutrition". SSNUP will also reflect on adapting the IFAD's *Nutrition-sensitive value chains project design guide*⁵¹ to measure the nutrition-sensitivity of projects in the framework of ad hoc studies and/or perception surveys.

The projects that could indirectly contribute to food security, for instance by aiming at increasing the income of local populations, will not be considered as directly contributing to food security and improved nutrition.

Any project including at least **one of the following criteria** is considered as positively contributing to "Food security and nutrition" priority topic.

CRITERIA OF DIRECT POSITIVE CONTRIBUTION	
Nutrition-sensitive products	Projects focusing on production, processing, distribution, marketing and/or consumption in local and regional markets of wholegrains, legumes, fruits, vegetables, meat and organ meat, eggs, fish and dairy products such as milk, yoghurt and cheese, as well as alternative plant-based proteins for human consumption (e.g., legumes, nuts, soy, rapeseed).
Urban and peri-urban agriculture	Projects focusing on growing plants and raising animals within and around cities. It includes crop production, small animal rearing, growing of non-food crops (e.g., medicinal herbs) and trees managed for producing fruits and fuelwood, including within integrated systems (e.g., agroforestry, tree-aquaculture systems).
Biofortification	Projects focusing on developing new varieties of staple crops (i.e., cassava, maize, orange-fleshed sweet potatoes, Irish potatoes, wheat, rice, pearl millet, sorghum, banana, plantain, squash, beans, lentils and cowpeas) with the explicit intent of enhancing levels of bioavailable micronutrients (i.e., pro-vitamin, iron and zinc). While biofortification is most commonly accomplished using conventional plant breeding, agronomic biofortification (i.e., application of micronutrient-rich fertilizers via soil or leaves).
Food fortification	Projects focusing on deliberately increasing the content of an essential micronutrient, i.e. vitamins and minerals (including trace elements) in a food, so as to improve the nutritional quality of the food supply and provide a public health benefit with minimal risk to health. Such a process directly enhances the nutrient composition of different foods through adding, for example, vitamins, iron, zinc, folic acid or iodine. This is done during the processing phase. Food fortification can help tackle micronutrient deficiencies through increasing the micronutrient content of staples and condiments consumed by vulnerable groups, such as pregnant women or young children.
Nutrition-sensitive post-harvest handling, storage, and processing, ensuring food quality, safety and hygiene	Projects focusing on post-harvest handling, processing and storage that contribute to maintaining a secure supply of food (and thus of nutrients) throughout the year; preserving the quality, safety and hygiene of harvested raw material as it moves along the food supply chain from the producer to the market; reducing losses; and making fresh produce available in local markets as well as in distant locations.

⁴⁸ As defined in FAO, IFAD, UNICEF, WFP, WHO, 2022. *The State of Food Security and Nutrition in the World 2022*. Rome, FAO.

⁴⁹ FAO, 2017. *Nutrition-sensitive agriculture and food systems in practice*

⁵⁰ WHO, *Healthy diet, recommendations*, accessed on February 9, 2025.

⁵¹ IFAD, *Nutrition-sensitive value chains, A guide for project design 1* and *2*

Gender equality

SSNUP aims to support TA projects that **address gender inequalities by creating opportunities for women and/or by promoting women's autonomy and participation** at various levels of agricultural value chains. Only projects planning to **implement specific measures to act on constraints** faced by women and **to ensure women's participation** will be considered as significantly contributing to gender equality ("gender responsive" and "gender transformative" projects as defined by UNICEF)⁵², whereas simply targeting a number or percentage of women will not be sufficient to be regarded as such.

A project **must fulfil all the following criteria** to be considered as positively contributing to "Gender equality" priority topic.

CRITERIA OF DIRECT POSITIVE CONTRIBUTION	
Gender analysis	The project is based on a context analysis which includes a gender assessment of needs, supply and demand as well as gender-specific safeguards.
Gender equality goals	The project explicitly includes a significant or principal objective related to gender equality and/or women's empowerment.
Specific activities	The project includes specific activities aiming at acting on constraints faced by women targeted by the project and ensuring their participation to the project activities.
Gender-sensitive indicators	The project plans to monitor gender-sensitive indicators related to the gender-related objectives in project results framework.

Fair agrifood systems

SSNUP aims to support TA projects that contribute to the development of **fair agrifood systems**. Projects contributing to fair agrifood systems aim to make **systems more integrated** and to foster a **more equitable distribution of value** in food supply chains, especially for the smallholder farmers.

SSNUP relies on some of the **agroecological principles linked to social equity** defined by the HLPE of the Committee on World Food Security to identify the projects adopting a "fair value chain approach".

Any project including at least **one of the following criteria** is considered as positively contributing to "Fair agrifood systems" priority topic.

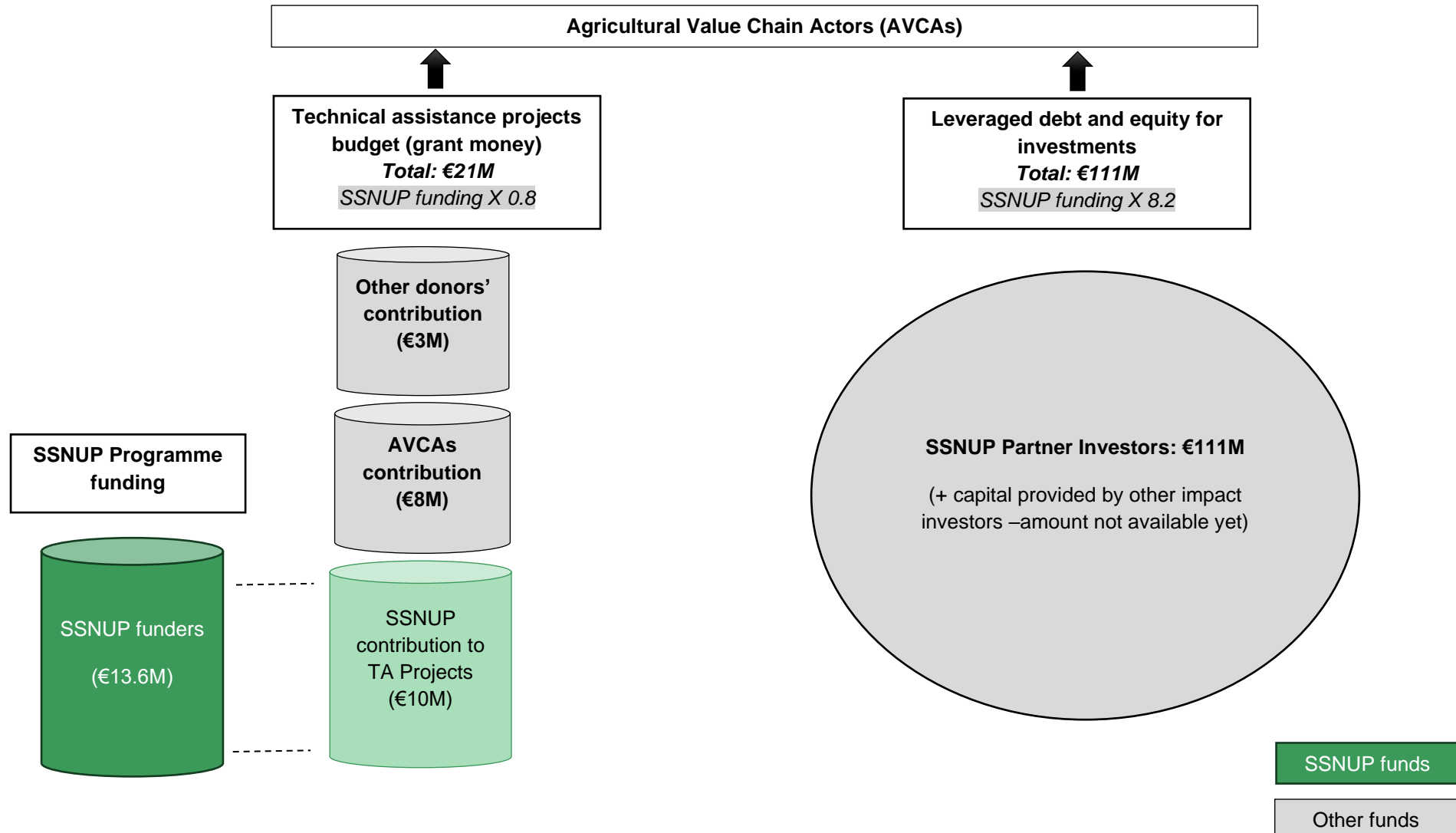
CRITERIA OF DIRECT POSITIVE CONTRIBUTION	
Fairness	Projects that support dignified and robust livelihoods for all actors engaged in food systems, especially smallholder farmers, based on fair trade, fair employment and fair treatment of intellectual property rights.
Connectivity	Projects that ensure proximity and confidence between producers and consumers through promotion of fair and short distribution networks and by re-embedding food systems into local economies. E.g., less intermediaries, short food chains and local food webs, organisation and support of local farmer markets.
Land and natural resource governance	Projects that strengthen institutional arrangements, including the recognition and support of smallholders as sustainable managers of natural and genetic resources. E.g., recognition of smallholder rights & conflict resolution in their support, integrated seed governance (including the production and use of indigenous, local seed varieties) emphasising farmer managed seed systems, land tenure that respects traditional and customary land rights and ensure equitable and secure access to land for smallholders.
Economic diversification	Projects that promote diversification of on-farm incomes by ensuring that smallholder farmers have greater financial independence and value addition opportunities while enabling them to respond to demand from consumers. E.g., diversification of production and crop rotation, safe, nutrient-preserving on-farm or cooperative-based storage agroprocessing, farm-based or local input production for distribution, farm-based non-agricultural activities.

⁵² UNICEF, 2022. [Gender Equality Marker and Gender Tag Guidance Note](#)



ANNEX 10 – FINANCIAL LEVERAGING DIAGRAM

This diagram shows the estimated leverage effect at the end of SSNUP Phase 1 on how public funding from the SSNUP funders encouraged or enabled additional private contributions and investment.





*Smallholder SustainAbility
Upscaling Programme*

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