

# SNV



SNV in 2020

## **We lift up incomes and increase access to basic services**

We make a lasting difference in the lives of people living in poverty, helping them raise incomes and access basic services. Driven by the Sustainable Development Goals, we are dedicated to a society in which all people are free to pursue their own sustainable development and no one is left behind. This commitment to equity directs us to focus on gender and youth.

## **We apply our know-how to deliver results at scale**

### **Local presence and know-how to realise effective solutions**

We apply practical know-how to support people living in poverty. By connecting our global expertise with our extensive and longstanding in-country experiences, we help realise locally owned solutions. And we do so in more than 25 countries worldwide.

### **Expertise in three sectors**

We are experts in agriculture, energy, and water, sanitation and hygiene (WASH). Our services include advice, brokering and stakeholder engagement, advocacy, fund management, results-based financing and delegated management.

### **Impact through direct results and systems change**

Our projects directly benefit millions of people. At the same time, our projects also drive systems change – strengthening institutions and kick-starting markets to help many more people work their way out of poverty, well beyond the scope of projects.

## **We commit to operational excellence**

We are proud to be a not-for-profit organisation, implementing our mission exclusively through project financing. This requires us to work efficiently and to invest in operational excellence every day.

# SNV Annual Report

## List of acronyms

ANAREE	National Agency for Renewable Energy and Energetical Efficiency, Burkina Faso
ARWSS	Area-wide Rural Water Supply Services
BCC	Behavioural Change Communication
C&B	Climate and Business
CHAIN	Cambodia Horticulture Advancing Income and Nutrition
CIIF	Climate Innovation and Investment Facility
CORE-Africa	COVID-19 Response and Resilience Initiative for Food Value Chains in Africa
CRAFT	Climate Resilient Agribusiness for Tomorrow
DFAT	Australian Department of Foreign Affairs and Trade
DFCD	Dutch Fund for Climate and Development
DGIS	Dutch Ministry of Foreign Affairs (Directorate-General for International Cooperation)
EKN	Embassy of the Kingdom of the Netherlands
EU	European Union
EUTF	EU Emergency Trust Fund for Africa
FAO	Food and Agriculture Organisation of the United Nations
FCDO	Foreign, Commonwealth & Development Office, UK
FMO	Dutch Entrepreneurial Development Bank
FX	Foreign Exchange
GEM	Gender Equality Measure
GHG	Greenhouse Gas
GIZ	Deutsche Gesellschaft für Internationale Zusammenarbeit
HBCC	Hygiene Behavioural Change coalition
HR	Human Resources
ISF/UTS	Institute for Sustainable Futures of the University of Sydney
IVC	Inclusive Value Chains
IWRM	Integrated Water Resources Management
K	Thousand
KIT	The Royal Tropical Institute
KPI	Key Performance Indicators
KOSAP	Kenya Off-Grid Solar Access Project
M	Million
MB	Managing Board
MD	Managing Director
MSME	Micro-, small- and medium-sized enterprise
NGO	Non-Governmental Organisation
ODA	Official Development Assistance
OYE	Opportunities for Youth Employment
P&L	Profit & Loss
PME	Planning, Monitoring and Evaluation
Pro-ARIDES	PROgramme Agroalimentaire pour la Résilience Intégrée et le Développement Economique du Sahel
PUE	Productive Use of Energy
RBF	Results Based Financing
RVO	Netherlands Enterprise Agency
SBCC	Social and behaviour change communication
SDC	Swiss Agency for Development and Cooperation
SDG	Sustainable Development Goals
SEM	Sustainable Energy Markets
SME	Small and medium-sized enterprise
SN4A	Sustainable Nutrition for All
SSH4A	Sustainable Sanitation and Hygiene for All
STAMP	Sustainable Technology Adaptation for Mali's Pastoralists
USAID	United States Agency for International Development
USHHD	Urban Sanitation and Hygiene for Health and Development
V4CP	Voice for Change Partnership
WASH	Water, Sanitation & Hygiene
WHO	World Health Organisation
WUR	Wageningen University & Research
WWF	World Wildlife Fund

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A woman wearing a blue headwrap and a leopard-print top is watering a large pile of green leafy plants with a blue watering can. She is surrounded by other people, including a woman in a purple shirt and blue headwrap in the foreground, and another person in a white shirt in the background. The scene is outdoors with tall grass and other vegetation in the background.

SNV improved  
the lives of  
**5 million**  
people living  
in poverty



# Message from the Supervisory Board



The world went through unprecedented challenges in 2020. The COVID-19 pandemic is not only a health crisis but also a food crisis and a socio-economic crisis. With tens of millions of people having been pushed back into poverty and facing food insecurity, the work of SNV is more important than ever at this time.

I have been encouraged by how effectively SNV has managed through this year of crisis. The organisation took swift measures to enable continuation of programmes across the world, with adjustments to activities where necessary, whilst continuing to serve those most in need.

The Supervisory Board expresses its gratitude to all who worked to create impact at scale. The commitment and professionalism of the organisation's team members around the world continues to be an inspiration in these turbulent times. Our appreciation also goes to all the partners and donors that we work with to implement our projects.

Lastly, we would like to thank two pivotal members of the Managing Board. First, Managing Director Tom Derksen who retired after several decades with SNV, serving in many countries and positions. Secondly, Meike van Ginneken who stepped down as CEO in October 2020. We have welcomed Simon O'Connell as the new SNV CEO and appreciate his leadership.

**KOOS RICHELLE, CHAIRMAN**

ON BEHALF OF THE SUPERVISORY BOARD  
JUNE 2021

# Message from the CEO

It goes without saying that 2020 was a tumultuous year. The effects of the COVID-19 pandemic are being experienced most significantly by the poorest and are exacerbating already alarming disparities.


At a time of such great challenge and complexity, I have been hugely humbled to take the helm of an organisation of SNV's historical depth, focus, technical expertise and commitment. Right now is also the opportunity to rectify inequities and inequalities and 'build back better'. The dedication of our global team across the 26 countries where we currently work, combined with the resoluteness of our partners, has enabled us to continue contributing as much positive impact as we can in the face of the pandemic. We want to ensure we are in a good position to deepen and scale this impact as we go into the year ahead. However, it is clear there is much more for us to do. We especially value and appreciate the flexibility of many of our donor partners, which continues to be crucial in enabling us to pivot our programmes with speed and nimbleness in light of the evolving needs and opportunities in the contexts where we work.

The COVID-19 pandemic has created a scale of challenges not seen since the Second World War. The effects of the pandemic are compounding pre-existing food security challenges, with the climate crisis further exacerbating these, and eroding coping mechanisms across the contexts where we work. Over 800 million people were already undernourished at the beginning of 2020, with fears that more than 130 million will now be exposed to starvation and as many as 100 million more pushed into extreme poverty. As you will read in this report, the work we are doing to strengthen inclusive agricultural value chains, increase access to clean water and sanitation, and enable innovative approaches to both climate change adaption and mitigation, is extensive and increasingly vital if we are to continue to make progress towards the Sustainable Development Goals.

The International Labour Organisation has predicted both massive reductions in informal workers incomes and a loss of over 300 million full-time jobs globally. Those hardest hit economically will be the poorest operating in the informal economy, those reliant on informal credit, and those where poorly functioning markets within weak governance structures act as barriers to the meeting of basic needs, especially for young people and women. Our Annual Report highlights some of the work we are doing to strengthen both governance and market systems so that they work better for those at the base of the pyramid, along with what we are doing to generate greater opportunities for young people – especially young women, with both the pandemic and demographic changes compelling us to increasingly focus on inequalities and inequitable access to opportunities.

With 2020 seeing declines in Official Development Assistance (ODA) volumes from some countries, substantial reductions in Foreign Direct Investment, increases in bad debt, and massive impacts on remittance flows – which at more than USD\$ 700 billion in 2019 are more than six-fold OECD Development Assistance Committee (DAC) ODA volumes, we know moving forward we must find ways to develop more meaningful partnerships that enable both efficiencies and impact at greater scale. We are committed to doing so, whilst at the same time building on some of the more innovative financing mechanisms, such as the Dutch Fund for Climate and Development, and other partnerships that we highlight in this report.





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increase  
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services.

Despite the constraints of operating within a markedly different global context than anticipated at the beginning of 2020, through last year we were able to positively and measurably impact the lives of over 5 million people across 26 countries, with many more continuing to benefit from the changes in systems that we have been able to contribute to. This commitment to contributing to systems change through, for example, our work to strengthen institutions and kickstart markets, is an area we will be looking to increasingly prioritise over the coming years.

Part of our ability to navigate the uncertainty resulting from the pandemic and to continue contributing as much positive impact as possible stems from our focus, built around our core areas of competence in relation to agriculture, energy, and water and sanitation. Highlights from our work in these areas are included in this report. It is this focus that we are committed to retaining, whilst also scaling our impact over the year ahead through increasing engagement with digitalisation, innovative finance, and in deepening our systems thinking and understanding. And we recognise our pathway to enabling greater positive impact will be increasingly filled with more strategic and intentional partnerships.

I am grateful to my predecessor, Meike van Ginneken, for leaving the organisation on such solid footing, as well as to the wider Managing Board for stepping up so impressively in the face of the challenges emanating from the pandemic. I would also like to thank the Supervisory Board for their steadfast support to the organisation over the past year, as well as for their wisdom and guidance as I have taken up the CEO role. I feel deeply grateful to be part of such a dedicated and capable global team at this time.

With thanks for your interest in our work.

**SIMON O'CONNELL, CHIEF EXECUTIVE OFFICER**  
ON BEHALF OF THE MANAGING BOARD





SNV provides  
local know-how  
**for lasting  
solutions.**

# SNV in 2020

In 2020, SNV helped to measurably improve the lives of **5 million people** living in poverty through increasing incomes and access to basic services. At the same time, we made significant contributions to systems change.

2020 has been dominated by COVID-19. People across the world have endured major health, social, and economic effects of the pandemic caused by the previously unknown virus. The progress towards achieving the Sustainable Development Goals (SDGs) saw significant setbacks resulting from the COVID-19 pandemic. While in the past two decades, the number of people living in extreme poverty worldwide has decreased by more than 1 billion people, part of this success is set to be reversed. The economic fallout from the global pandemic could increase global poverty by as much as half a billion people, according to the United Nations University. The past year has shown that people can easily fall back into poverty if interventions do not address the underlying systems that trap people in poverty.

The world is also experiencing a deepening climate crisis. Climate change poses an unprecedented threat to humanity in the 21st century. Weather patterns are changing, becoming less predictable and more erratic. This has huge impact on food security, water security, and people's livelihoods. We need to adapt our systems to climate change and increase resilience amongst people living in

SNV aims to drive systems change by strengthening institutions and kickstarting markets, in turn building more resilient communities.

poverty and vulnerable groups to prevent the potentially catastrophic and irreversible effects of climate change. There was a notable short-fall in funding but slowly, we are seeing this increasingly being prioritised by donors.

2020 was the second year of implementing SNV's 2019-2022 Strategic Plan. Our results were in line with the targets set, even with the challenges of implementation due to COVID-19. We remain on track to improve the quality of life of 20 million people and to significantly contribute to systems change in agriculture, energy, and WASH in 21 countries from 2019 to 2022. SNV aims to drive systems change by strengthening institutions and kickstarting markets, in turn building more resilient communities.

## Our footprint

In 2020, we worked in 26 countries in Asia, Africa, and Latin America. We have had operations in most of these countries for decades, enabling us to acquire a depth of contextual understanding and knowledge, and allowing us to build long-term partnerships.

In 2020, the number of team members worldwide decreased by 6% and at the end of 2020 we were 1,297 people strong. This team of specialists and generalists, nationals and internationals, and young and more seasoned colleagues are the backbone of SNV. The vast majority of our team members (88%) come from the contexts in which we work. The large majority of our team members are based in East and Southern Africa. Six percent





We collaborate extensively with partners - such as knowledge institutes, consultancy firms, and local and international NGOs - to expand and deepen our impact.

of our team is based in The Netherlands, the country where SNV was established over 50 years ago.

SNV operates in high-risk, conflict-sensitive, and fragile areas. This is where most of the communities that we seek to support are located. We saw increased insecurity in 2020 in some of the regions where we work. With the right safety and security measures, SNV managed to stay on the ground, adapt, and continue relevant project activities.

### Our approach

We apply practical know-how to support people living in poverty. We contributed to agriculture results in 23 countries, energy results in 14 countries and WASH results in 18 countries. We constantly develop our expertise by expanding our global knowledge and drawing on lessons learned from practice across the globe. This adds to our value proposition and distinguishes us from local service providers. We use our extensive on-the-ground track record

to apply and adapt our expertise to local contexts – which distinguishes us from global consultancy firms.

Our often deep, in-country presence and strong relationships are the basis of our local credibility and our alliance building with and between stakeholders. We collaborate extensively with partners such as knowledge institutes, private consultancy firms, and non-governmental organisations - that complement and re-energise us. We invest in market-based approaches and work extensively with the private sector. We are a trusted partner to local and national governments.

We create impact in the form of both direct results and systems change. Our projects directly benefit millions of people. At the same time, our projects also drive systems change – strengthening institutions and kickstarting markets to help many more people work their way out of poverty. We thus sustain and expand the impact of these projects in years to come.



## Our focus: Agriculture, Energy, and WASH

Our continued focus on agriculture, energy, and WASH allowed us to deepen the quality of our work. Many of our projects span across these sectors and have an integrated approach to enabling sustainable development.

Our agriculture portfolio helped improve the lives of 1.1 million people in 2020. The SNV agriculture portfolio contributes to the Sustainable Development Goals (SDGs) through a private sector, market-based, and innovation-driven approach. In 2020, our projects supported 0.9 million people through increased income.

SNV integrates its interventions across agriculture value chains, nutrition, and climate adaptation. Our food and nutrition security programme improved food access and nutrition security for 0.2 million people. We stepped up on our climate and business programme. We helped 50,000 farmers to become more climate resilient and 31,000 young people gained new employment through SNV projects in agriculture and energy.

In this report, we highlight how nine projects came together to respond to the COVID-19 pandemic. The COVID-19 Response and Resilience Initiative for Food Value Chains in Africa (CORE-Africa) aims to strengthen responses to the COVID-19 situation of nine projects across Africa funded by the Dutch Government. CORE-Africa focuses on nutritious food value chains including horticulture, dairy, oilseeds, pulses and livestock.

Our energy portfolio helped improve the lives of 1.5 million people and reduced greenhouse gas emissions of over

600,000 tonnes. The SNV energy portfolio contributes to the SDG7 target to ensure access to affordable, reliable, sustainable, and modern energy for all. Our projects focus on providing people with off-grid electricity, clean cookstoves, and biogas. In addition to these direct benefits, our energy portfolio helped develop sustainable energy markets, using innovative financing mechanisms. For example, the World Bank-financed Kenya Off-Grid Solar Access Project (KOSAP), provides electricity and clean cooking solutions in the remote, low densely populated, and traditionally underserved areas of the country. This flagship project of the Kenyan Ministry of Energy uses

Our continued focus on agriculture, energy, and WASH allowed us to deepen the quality of our work. Many of our projects span multiple sectors and have an integrated approach to enabling sustainable development.



We highly appreciate the flexibility of the donors we work with during the COVID-19 pandemic. This has been essential to enabling us to pivot our programmes to a new operating normal.

Results Based Financing (RBF) to provide incentives to private sector companies to establish operations and sell solar and clean cooking solutions in the project areas.

WASH interventions contributed to improving access of 2.5 million people in 2020. Our projects resulted in 1.2 million people gaining access to, and use of, sanitation, and 0.6 million people gaining access to basic drinking water supply services. In addition, close to 1 million people commenced to practise handwashing with soap. With the COVID-19 pandemic, the demand for WASH services, especially handwashing, increased. This included services in healthcare facilities where programming was already ongoing but also in new target areas such as markets, stations, and other public spaces where transmission of the virus could take place.

Our commitment to leaving no one behind translates to a focus on universal access with an explicit focus on schools, health facilities, and last mile service provision. Our contribution to SDG6 (ensuring availability and sustainable management of water and sanitation for all) goes well beyond the number of people who benefit directly from our projects. Our projects supported the development of public institutions and built markets that will ultimately provide many more people with WASH services. A good example of this is our work in Nepal which builds long-term capacity of local entities and systems to improve and promote community health. The Swachhhata project, funded by the United States Agency for Development Aid (USAID), strengthens the skills of government actors, health centre personnel, and volunteer committees to serve as role models and spread good hygiene messages.

### Changing the systems which trap people in poverty

Only by changing underlying systems, can we break the low-income poverty trap that millions of people find themselves in. This is why we design and manage our projects in such a way that they do not just deliver direct results but also contribute to systems change to create more sustainable, larger-scale impact. This annual report showcases how we significantly contributed to systems change in some countries while sowing the seeds for systems change in many others.

Our on-the-ground presence and international knowledge helped kickstart markets and services, ranging from dairy and vegetables, to cookstoves and solar systems, to desludging of latrines and







septic tanks. In doing so, we leveraged additional financial resources from companies and governments. We aim for our approaches to be adopted by the public and/or private sector and become the new norms. We do not only influence governments and the private sector to change their behaviours. We also work on behaviour change at the household level whether on hygiene, nutrition, use of cookstoves, or gender roles. The ultimate test of our success is when we create a new normal in which all people can pursue their own sustainable development.

### Our operations during COVID-19

SNV, like the rest of the world, experienced a year of unprecedented uncertainty. The past year has been extraordinary and has brought much external challenge and change. The COVID-19 crisis has impacted the way we work, the way we provide our services, and the way we organise ourselves.

In the midst of this changing context, our commitment is stronger than ever to make a lasting difference in the lives of people living in poverty by helping them raise incomes and access basic services.

We highly appreciate the flexibility of the donors we work with, which has been essential to enabling us to pivot our programmes to a new operating normal. Thanks to this flexibility, we were able to keep our team members on board, systems up and running, and ensure project implementation continued to the greatest possible extent, enabling us to positively impact the lives of 5 million people in turn.

SNV's management and teams across the world reacted quickly to the developments of the crisis. Team member safety was our number one priority, always being compliant with local COVID-19 regulations. We took quick measures and initiatives, adjusting our project implementation to continue our work on the ground as much as possible.

SNV has adjusted where necessary in the face of the pandemic. Already being a lean organisation and having cloud-based systems in place, we were ready to implement in innovative manners. We could continue working because of our broad network of local partners on the ground. As the pandemic endures and the context evolves, we will continue to anticipate changes in needs and opportunities and will

We recognise that at a time of both extraordinary need and opportunity, partnerships are more crucial than ever to realise impact at scale.

seek to work with our donors in aligning priorities accordingly. We will continue to be innovative in the way we work and with the partnerships that we establish.

### Looking ahead

The world is still in the middle of the COVID-19 pandemic. For the first time in 20 years, poverty is likely to significantly increase. For millions of people around the globe this crisis will not be short-lived. Our work has become more relevant than ever.

In the coming years, we will look to scale the impact of our work in agriculture, energy, and WASH, through expanding our existing products and services (especially in the areas of innovative finance and digitalisation), focusing more deliberately on systems change, and building more intentional, strategic partnerships. We will continue to invest in our people, strengthening technical expertise, and expanding and diversifying our talent pool.

As our footprint and impact in fragile contexts continues to grow, we will increase our investments in safety and security management.







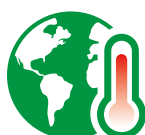
# 2020 in numbers

We measurably improved the quality of lives of **5 million people**

## Agriculture



**856,000**  
people with  
increased  
income



**50,000**  
people with  
increased  
resilience to  
climate change



**215,000**  
people with  
increased  
food and nutrition  
security

## Energy



**47,000**  
people with  
access to  
biodigesters



**824,000**  
people with  
access to  
improved  
cookstoves



**601,000**  
people with  
access to  
off-grid solar

## WASH



**1,266,000**  
people who gained  
access to (at least)  
basic sanitation

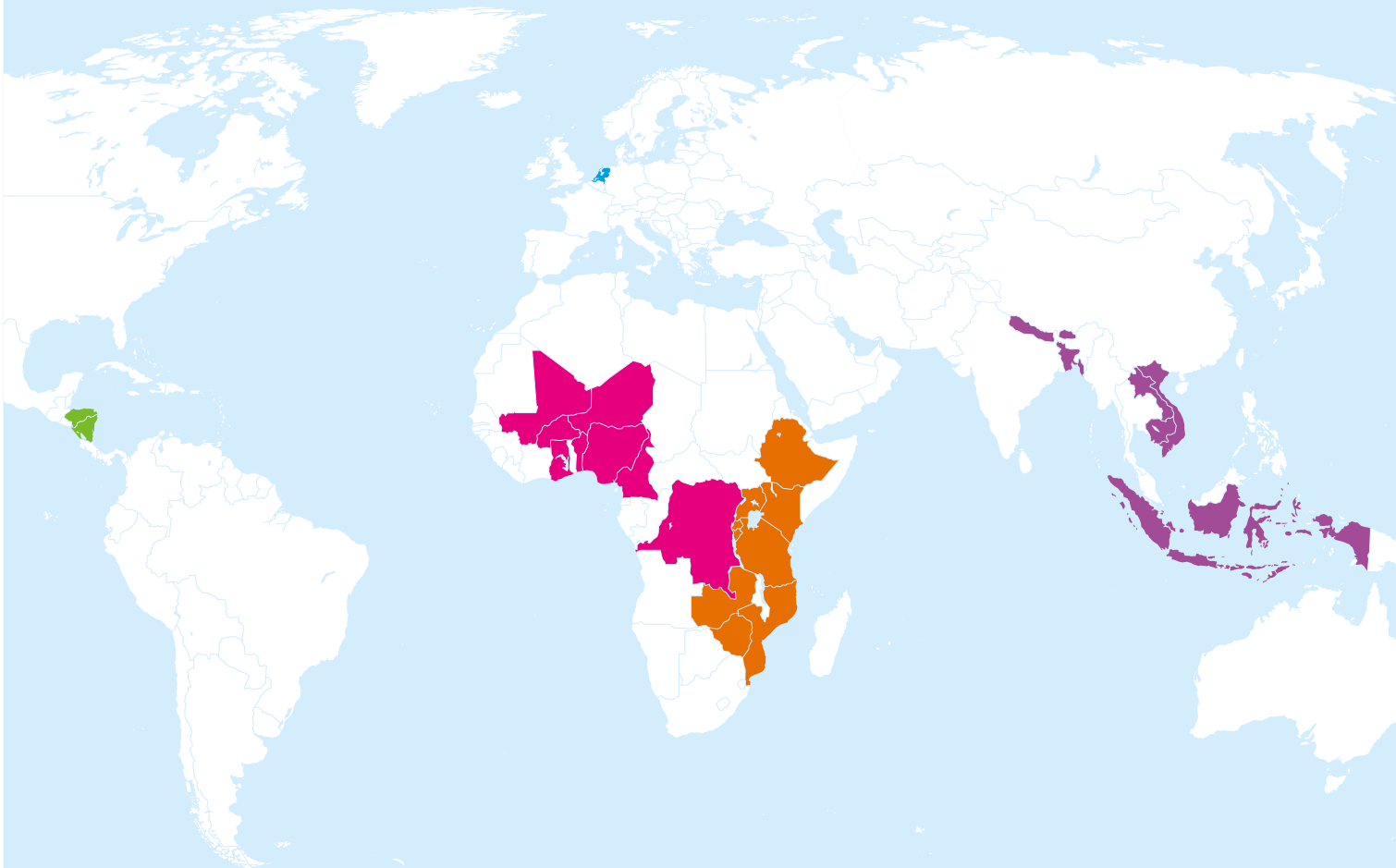


**667,000**  
people who  
gained access to  
(at least) basic  
drinking water

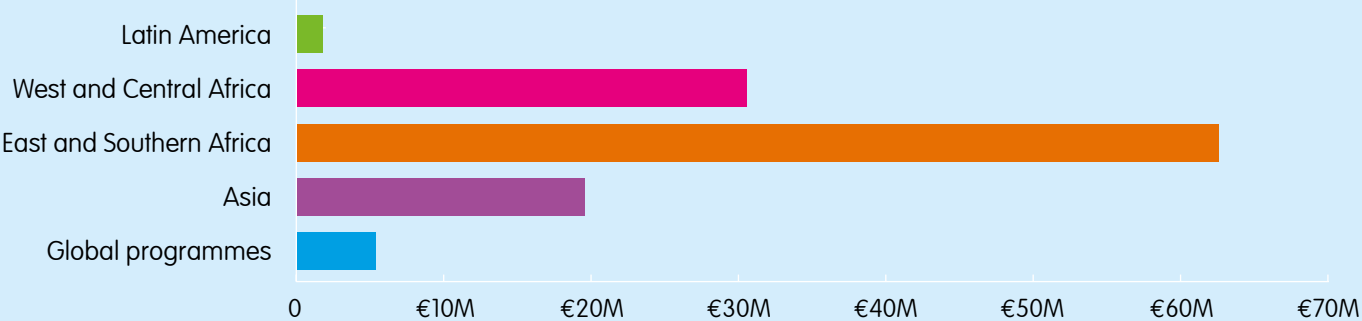


**976,000**  
more people  
practising  
handwashing  
with soap after  
defecation

# Our footprint



## Revenue per region



**Latin America**

Honduras  
Nicaragua

**West and Central Africa**

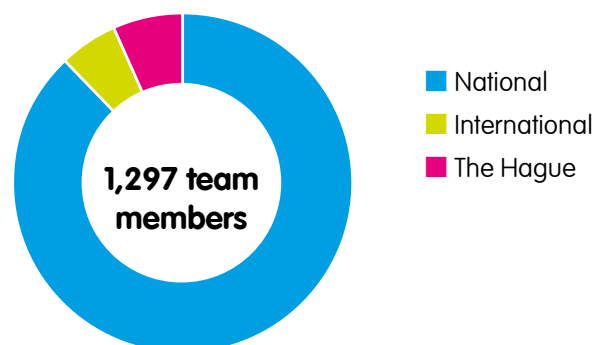
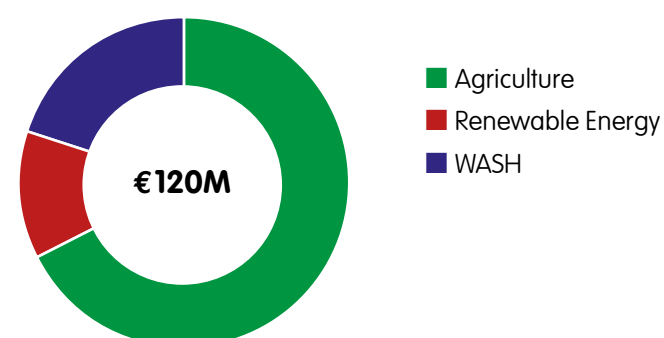
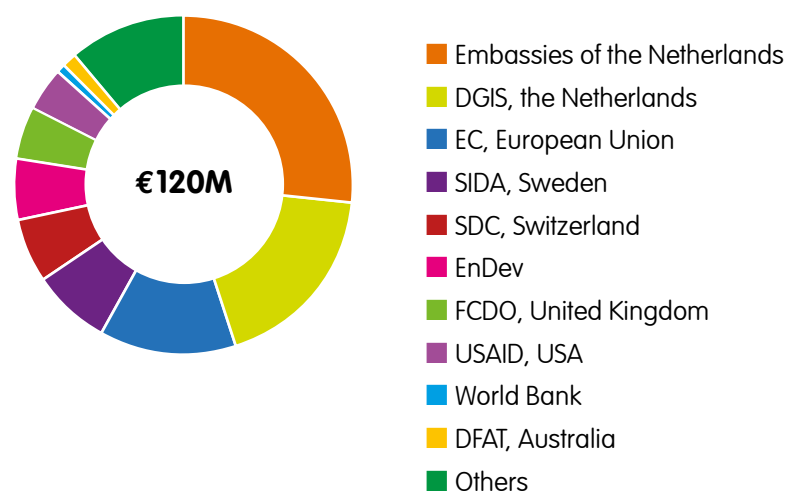
Benin  
Burkina Faso  
Cameroon  
DR Congo  
Ghana  
Mali  
Niger  
Nigeria

**East and Southern Africa**

Burundi  
Ethiopia  
Kenya  
Mozambique  
Rwanda  
Tanzania  
Uganda  
Zambia  
Zimbabwe

**Asia**

Bangladesh  
Bhutan  
Cambodia  
Indonesia  
Lao PDR  
Nepal  
Vietnam

**Our team****Revenue per sector****Revenue per donor**



**1.1  
million**

people's lives were  
improved.



# Agriculture

Impact: SNV implements a large and diverse agriculture portfolio.

In 2020, we measurably improved the lives of **1.1 million people** through increased incomes, enhanced food security, and enabling solutions to the climate crisis.

## Context

Even before the COVID-19 pandemic, food systems faced enormous challenges. Hunger had been on the rise for several years, affecting 690 million people in 2019 according to FAO, while healthy diets were unaffordable for at least 3 billion people.

The majority of high-input, resource-intensive farming systems, which have caused deforestation, water scarcity, soil depletion and high levels of greenhouse gas emissions, cannot deliver sufficient food for all in a sustainable way. There is a need for a more sustainable intensification of the agriculture production and food system that protects and enhances the natural resource base, while increasing productivity. This requires high-level technological innovations as well as a transformative process towards 'holistic' approaches, including agroecology, agro-forestry, and climate-smart agriculture.

The year 2020 brought unexpected and complex additional challenges, but also potential opportunities, to achieving a transformation in food systems and thus improved food and nutrition security globally. In the initial stages of the COVID-19 crisis, measures taken to curb the spread of the virus, such as import/export bans

and mobility restrictions, drastically impacted food value chains and thus the food security of millions of people. By the end of 2020, it appeared that food supply chains proved more resilient than expected. Many countries introduced measures to secure the flow of food products and governments expanded social safety nets to ensure food security. Private sector innovations introduced along food supply chains helped to overcome disruptions caused by lockdowns.

Meanwhile, the climate crisis is continuing and deepening. Climate change was already affecting production, and the need to reduce greenhouse gas emissions is growing ever more urgent.

Both the pandemic and the climate crisis have highlighted and exacerbated structural weaknesses and inequalities in our food systems, as the poorest and most marginalised people in society are the most vulnerable to shocks. The pandemic has highlighted the importance of resilience food systems to climate change and shocks in general.

SNV agrees with leaders around the world who see the pandemic and economic recovery plans as an opportunity to 'build back better' and transform global food systems to meet current and future demands to

There is a need for a more sustainable intensification of the agriculture production and food system that protects and enhances the natural resource base, while increasing productivity.

provide sufficient nutritious food for all without compromising the health of the planet or the ability of future generations to meet their own food and nutritional needs.

## Inclusive Value Chains

In agriculture, SNV works with private and public sector actors to implement the use of successful processes, technologies, and models to realise systems change and sustainable impact at scale. We focus on small-holder farmers willing and able to implement farming-as-a-business, as well as small and medium-sized agricultural enterprises that are essential to transforming agricultural value chains aiming to improve the affordability and accessibility of good quality food for all.



SNV facilitates the development of competitive, inclusive, and sustainable agricultural value chains. The impact of COVID-19 in combination with the effects of climate change, challenge the resilience of food systems. In response to this, SNV initiated a project to strengthen the responses to the COVID-19 situation of nine value chain projects across Africa. The COVID-19 Response and Resilience Initiative for Food Value Chains in Africa (CORE-Africa), financed by the Netherlands Ministry of Foreign Affairs, focuses on strengthening the resilience of food systems and coping strategies of actors within them, integrating hygiene and operational health & safety measures, integrating relevant digital solutions, and rapid information and data collection and analysis.

### The impact of COVID-19 in combination with the effects of climate change, challenge the resilience of food systems.

In 2020, we further developed and deepened our Inclusive Value Chains product and portfolio with an emphasis on contributing to resilient food systems and a focus on four key areas. Firstly, we contributed to the adoption of sustainable intensification practices by smallholder farmers focusing on increased productivity with less environmental impact. Private and public extension services played an eminent role, advising farmers how to reduce costs, increase revenues while applying climate-smart practices and technologies. A second key area of



work focused on market development of inputs and service markets. We adopted a two-tiered approach combining supporting small and medium-sized enterprises (SMEs) operating in high potential, well-established markets and support to spot market arrangements, including semi-formal and informal market settings. Thirdly, we unlocked finance and leveraged investments from SMEs, financial institutions and impact investors to invest in climate-smart agriculture. This included enhancing financial literacy and investment readiness among farmers and SMEs. Finally, we contributed to stronger institutions and better policies and governance through public-private dialogue and evidence-based advocacy.

SNV is expanding its portfolio in fragile areas. In addition to the already broad portfolio in the Sahel region, we signed the PROgramme Agroalimentaire pour la Résilience Intégrée et le Développement Economique du Sahel (Pro-ARIDES) funded by the Dutch Government. Pro-ARIDES aims to contribute to increased resilience, food security and incomes of farmer and (agro)pastoralist households in the Sudano-Sahel zone of

Burkina Faso, Mali, and Niger. SNV will implement this €100M programme over a period of 10 years with consortium partners CARE-Netherlands, Wageningen University & Research (WUR) and The Royal Tropical Institute (KIT) in close collaboration with local farmer and pastoralist organisations, governments, and research institutes in the three countries. Having a 10-year programme allows us to think long-term and adapt our implementation based on what we learned during the first five years and to focus on scaling up during the last five years. The programme aims to reach 2.9 million people.

We are also investing in digital innovations in our projects. For example, the Sustainable Technology Adaptation for Mali's Pastoralists (STAMP+) project created Garbal, a digital advisory tool that leverages satellite data to deliver critical information to pastoralists in Mali. Pastoralists using the service experienced 15% lower mortality rates among their herds, 10% higher productivity and 10% higher income levels. This activity is now being rolled out in Niger and Burkina Faso as well.

Horticulture, dairy, livestock, oilseeds, pulses, cacao and coffee were the major commodities in our value chain projects. The second phase of the Swiss Agency for Development and Cooperation (SDC)-financed Cambodia Horticulture Advancing Income and Nutrition (CHAIN-II) project reached over 10,200 farmers (74% women) through 393 farmer groups in four remote northern provinces of Cambodia. Homestead farmers (35%) realised an average USD\$152 net income increase, and the semi-commercial and commercial farmers realised an average USD\$461 and USD\$887 net income increase respectively between 2017-2020. Working with 27 input retailers and 16 traders, and by raising consumer awareness, this contributed to an increased market share of locally produced fruits and vegetables from 37% to 56%. The 3rd phase (2021-2022) will focus on market systems change and the enabling environment in close collaboration with the government.

The Netherlands Enterprise Agency (RVO)-financed Market Access & Food Security for Nicaraguan Coffee and Cocoa farmers project ended in 2020. This public-private

SNV applies both a demand and supply strategy to address food and nutrition insecurity. Our approach encourages diverse, more nutritious diets year-round.

partnership initiative promoted an inclusive business model that linked 15 cooperatives and 5,580 small coffee and cocoa producers with three anchor companies. The project improved market access for 15 cooperatives, established more stable and long-term commercial relations for the producers, and strengthened the managerial capacities of 15 cooperatives and 11 organisations. It also improved food and nutrition security for 500 families, certified 2,144 producers, and facilitated investments of €4M in productive hardware. Producers' productivity increased with 55% and families' income was increased with 75%.

### Sustainable Nutrition for All

Although worldwide there has been some progress in reducing malnutrition rates, much more remains to be achieved. In 2020, for the fourth year in a row, the number of undernourished people increased. According to the UN, the COVID-19 crisis adding between 83 and 132 million to the 690 million people worldwide who were already undernourished, casting doubt on the chances of meeting global targets on food security and nutrition and prompting calls for an overhaul of the world's food systems.

SNV's Sustainable Nutrition for All (SN4A) approach recognises the importance of taking a food system lens. Hence, it works closely with our Inclusive Value Chains projects and approach. SN4A applies both a demand and supply strategy to address food and nutrition insecurity, integrating the key pillars of demand creation through triggering, social and behaviour change communication (SBCC), improved supply, and market development of safe, affordable and nutritious diets year-round, and

### Improvements in nutritional outcomes are affected by gender roles within households.

strengthened sub-national governance. Improvements in nutritional outcomes are affected by gender roles within households. We engage men and women within the community to review and address intra-household decision making on food production, expenditure, consumption, and allocation as well as access to resources and women's time and workload that often affect care practices.

In 2020, SNV projects increased food and nutrition security for 215,000 people. In Uganda and Zambia, the SDC-funded Sustainable Nutrition for All (SN4A) project pioneered an innovative model empowering communities to reduce the causes of malnutrition. The project aims to improve dietary diversity for all household members, with a particular focus on women of reproductive age (WRA) and infants under two years of age. Since the beginning of the project 88,000 people have been reached and nutrition scores of young women and infants have improved by at least 60%. The programme helped improve supply of nutrient-rich vegetables produced by smallholder farmers, ignited behavioural change by raising awareness about the factors that trigger improved nutrition and paid special attention to intra-household gender relations. The project also has a strong focus on building national and local governance capacity in both Uganda and Zambia, working with country and district nutrition coordination committees to engage with private sector and civil society and



develop multi-sector, multi-actor nutrition action plans. In 2020, the project improved the food and nutrition security of 15,645 people.

### Impact and outcomes

In 2020, restrictions to contain the COVID-19 pandemic caused significant challenges to the implementation and monitoring of our projects and negative impacts on local and global food systems. Despite these challenges, we improved the lives of 1.1 million people through increased incomes, food and nutrition security, improved resilience to climate change, and creation of youth employment opportunities. We also contributed

to the improved performance of 2,700 businesses. More than 50 projects across Africa, Asia, and Latin America contributed to these achievements. The total number of lives improved fell short of our target of 1.7 million people, largely due to COVID-19 pandemic travel restrictions in the countries where we work causing some activities, including impact measurement, to be postponed.

SNV defines its agriculture work within the framework of SDG2: 'End Hunger, Achieve Food Security, Improved Nutrition and Sustainable Agriculture' contributing towards transformed food systems in low- and middle-income countries. This goal – and the work SNV does to contribute

towards achieving it – highlights the importance of the way food is grown and consumed, as it explicitly acknowledges the interdependence between hunger, nutrition and the need to make agriculture sustainable and climate-resilient. Between 2019 and 2022 SNV aims to contribute to increased incomes, increased resilience to climate change, and increased food and nutrition security for 9.7 million people through more 'inclusive, sustainable, and resilient food systems which provide diverse nutritious food for all within planetary boundaries'. Our projects explicitly address gender and social inclusion by ensuring equal access to and control over resources for vulnerable groups.

## COVID-19 Response and Resilience Initiative for Food Value Chains in Africa (CORE-Africa)

The implications of COVID-19 on food value chains in Africa continue to evolve. After the lifting of serious social distancing and lock-down measures in summer 2020, value chains generally bounced back to a considerable degree. But major effects continue to play out, in terms of increased poverty among producers and consumers, changed production patterns, reduced availability of finance, and reduced application of (climate-smart) inputs/practices.

CORE-Africa was launched in July 2020, just a few months after the onset of the COVID-19 pandemic. It aims to help nine lead DGIS-funded projects respond quickly and adequately to the situation in ways that contribute to resilient food systems and strengthen the 'coping ability' of actors in those systems. CORE-Africa focuses on nutritious food value chains including horticulture, dairy, oilseeds, pulses and livestock.

The approach of this unique project is three-fold: (1) to develop analytical & methodological tools and frameworks, (2) to provide tailored support/backstopping to the lead projects, and (3) to facilitate knowledge & learning processes.

These activities reinforce one another in support to the lead projects and by leaving general tools and knowledge behind at the close of the project.

COVID-19 has brought to the fore a range of (interrelated) vulnerabilities in food value chains/systems, which CORE-Africa also aims to address through its four components:

- Strengthening resilience in domestic food value chains
- Digitalisation for Agriculture (D4Ag)
- Hygiene, health and safety in agri-chains and agri-business
- Rapid analytics and monitoring for accurate responses

A series of publications, published in cooperation with Wageningen University, provides an overview of literature and other resources covering COVID-19 and its impacts on agriculture in sub-Saharan Africa.

Review 1: Key impacts, issues, systemic shocks

Review 2: Overview of key developments, impacts and shifts

Review 3: Understanding vulnerabilities and resilience strategies



## Knowledge, learning, and partnerships

Knowledge development was prioritised at a strategic level in 2020 with the start of the development of an SNV Agriculture Results Framework. This initiative intends to define our strategy clearly and concretely for achieving impact at the sector level as well as define specific changes anticipated to provide a frame of reference for project design and implementation. The results framework allows us to better target our efforts at learning and knowledge development on design hypotheses and key knowledge gaps and contributing to improved quality of project design and implementation.

A review to inform changes to design, product scope, and direction of the four agriculture products was initiated by utilising learning from SNV projects and external evidence. This work and the focus on knowledge development and learning across the organisation continues in 2021. With the COVID-19 travel restrictions, teams hosted virtual retreats in 2020 to ensure peer-to-peer knowledge sharing on emerging trends and best practices in project implementation.

SNV continued to work with a large number of knowledge and implementing partners across its agriculture portfolio. Amongst others we have significant partnerships with Wageningen University and Research (WUR), CCAFS, IRRI, FMO, Climate Fund Managers, WWF, IFDC, BopInc, SUN Civil Society Alliance, CARE, Oxfam, ICRAF, IFPRI, KIT Royal Tropical Institute, the European Practitioners Network, CIFOR and UNEP. We were happy to join the newly established Netherlands Food Partnership and look forward to successful collaborations on Food Systems in the future.



## Empowering women in agriculture

Women form the majority of agriculture labour force in Kenya and Vietnam. Nonetheless, women face structural barriers that reinforce gender inequality in access to and control over resources. Consequently, agribusinesses by women often tend to underperform and have a high risk of failure.

From 2016 to 2020, SNV implemented the Enhancing Opportunities for Women's Enterprises (EOWE) project in Kenya and Vietnam. Funded by the Netherlands Ministry of Foreign Affairs and implemented with local partners, EOWE boosted women's businesses in rural areas through a combination of enterprise development, social transformation and policy advocacy interventions. In its last year, COVID-19 and extreme weather events in Vietnam limited EOWE's activities.

To increase access to resources, EOWE linked women's enterprises to training, for instance on value addition

and animal disease prevention, and facilitated linkages with new sales markets. In 2020, through cooperatives and women-led SMEs supported by EOWE, 7,786 women in Vietnam and 928 women in Kenya were able to access productive business assets, inputs and techniques. This resulted in increased profits for 55% of Vietnamese cooperatives and SMEs and 72% of Kenyan enterprises. Moreover, in 2020, 672 women attended leadership trainings, focusing on empowering women's voices.

EOWE facilitated household dialogues to address norms that govern the gendered household division of labour and restrict women's time in business. For example, the percentage of men disagreeing that 'a real man should not focus his attention on household work' grew from 34 to 66% in Vietnam and from 50 to 69% in Kenya. Some women shared how their husbands started cooking, cleaning, or fetching firewood.



## Climate and Business

SNV's Climate and Business approach stimulates business solutions for climate change mitigation and adaptation, with a strong emphasis on the introduction of climate-smart agriculture and energy practices. SNV does this by supporting businesses along agriculture value chains in the adoption and scaling of climate-smart practices that increase productivity, resilience and mitigation. The goal is to increase the resilience of food systems by reducing the vulnerability of small and medium-sized enterprises, smallholder farmers and households to the impacts of climate change. SNV's Climate and Business approach enables companies and farmer cooperatives to better understand and internalise climate risks into their business operations and stimulates them to offer goods and services needed to effectively respond to climate change (e.g. better seeds, resilient management practices, water saving solutions, weather information, insurance). SNV brings together value chain actors, government, public organisations, research partners, and investors to facilitate and accelerate the adoption of climate-smart practices at scale and at a systems level.

SNV also contributes to climate-smart agriculture value chains by stimulating the use of renewables (e.g. solar powered irrigation, cooling, and processing) and increasing energy efficiency. In addition, we improve the use and efficiency of wood and charcoal value chains that now – unsustainably – supply agriculture processing enterprises. We do this by assessing current and future energy needs in value chains and identifying options to respond to projected energy needs with viable business cases. Such



integration reduces emissions, fossil fuel use and costs, but also improves the competitiveness of the value chain, increases labour productivity, generates employment, and contributes to food quality and food security.

Climate & Business flagship projects include the Climate Resilient Agribusiness for Tomorrow (CRAFT) project and the Dutch Fund for Climate and Development (DFCD) both funded by the Dutch Government (see boxes) and Sustainable Technology Adaptation for Mali's Pastoralists (STAMP+) funded by the Embassy of the Kingdom of the Netherlands.

The goal is to increase the resilience of food systems by reducing the vulnerability of small and medium enterprises, smallholder farmers and households to the impacts of climate change.

## Climate Resilient Agribusiness for Tomorrow (CRAFT)

The CRAFT project (2018–2023), funded by the Netherlands Ministry of Foreign Affairs, will increase the availability of climate-smart foods for the growing population in Kenya, Tanzania, and Uganda. The project is designed to address climate change related challenges affecting main staple crops in the region. The project works with and through the private sector and supports public sector partners in creating an enabling environment based on field evidence for wide-scale adoption of Climate Smart Agriculture (CSA) practices, including efficient productive use of renewable energy in agriculture.

Half-way through the programme, the overall portfolio consists of 30 business cases with at least 30 more in the pipeline. In 2020, the project has committed €5.6M in grants to agri-

businesses and cooperatives, who will co-invest €26M working towards the transformation of the sunflower, soybean, sesame, potato, common beans and sorghum value chain's response to climate change to contribute to more resilience for both farmers and enterprises.

The project is implemented by SNV in partnership with Wageningen University and Research (WUR), CGIAR's Research Program on Climate Change, Agriculture and Food Security, Agriterro, and Rabo Partnerships.

### Operations during COVID-19

In the wake of the COVID-19 pandemic, businesses have had to adjust to a new normal. This is a story of how one Ugandan company handled their operations.

"As a private business working in agriculture, we cannot afford to fold our hands and wait for COVID-19 to go away. Business must go on because seasons don't wait for you and if you miss a season, you have lost a whole cropping cycle and yet people have to eat." This is what John Tusasirwe, the CEO of Transformation for Rural development Limited (TRAFORD), one of the CRAFT project partners had to say while distributing improved climate-resilient soybean seed to farmers in Dokolo district, Northern Uganda.

John and his team have been distributing improved early maturing and drought-tolerant seeds, and agro inputs (pesticides and tarpaulins) to 625 of their contracted farmers at a subsidised price, offered on credit. This follows two weeks training of 50 selected lead farmers as Trainer of Trainers by TRAFORD's team of 10 Master Trainers in climate-smart agricultural practices. They in turn can train the targeted 1,250 smallholder farmers (60% of whom are youth, including women) that TRAFORD will be working with in this season.

TRAFORD reported an increase in supplied quantity of soy and an increase in turnover after the season as their business capacity increased due to the investment in the climate business plan supported by the Climate Innovation and Investment Facility (CIIF) of the project.



TRAFORD team members offload soybean seed as they commence distribution



## Dutch Fund for Climate and Development

The Dutch Fund for Climate and Development (DFCD), financed by the Netherlands Ministry of Foreign Affairs, aims to mobilise private sector investments in climate change adaptation at scale. SNV has partnered with Climate Fund Managers, World Wildlife Fund Netherlands (WWF), and FMO, the Dutch entrepreneurial development bank (lead organisation), to manage the DFCD. The DFCD will run until 2037 and has a total value of €160M to be invested between 2019 and 2022.

SNV, together with WWF Netherlands, are jointly responsible for the €30M Origination Facility. The facility is positioned exclusively for project identification and (pre-)feasibility development activities with a cross DFCD thematic subsector focus. This window will seek to leverage the landscape strategy for activity sourcing and develop opportunities into viable business cases for the two DFCD investment windows (Land-Use and Water Facilities). The Origination Facility will provide grant funding and technical assistance for activities that will allow graduation of business ideas targeting mitigation and adaptation to climate change into bankable business investment plans to be submitted to the Land Use and Water Facilities of the DFCD or external investment opportunities. SNV primary focus is on graduating business investment plans related to climate-smart agriculture linked to conservation agriculture, sustainable intensification of agriculture, improved livestock management, irrigation efficiency, agroforestry, and avoided deforestation supply chains.

As a DFCD consortium partner, SNV is already providing grants and technical assistance support to the development of seven private investment propositions that will leverage private sector investments for increased resilience of the most climate vulnerable people in Africa and Asia. For example, in 2020, the DFCD Investment Committee approved a €250,000 grant and a €160,000 SNV technical assistance package for



Orlar Vietnam, a DFCD investee, is scaling up vertical greenhouse farming technology. They produce pesticide-free food, and the technology used allows them to deliver net-zero greenhouse gas emissions and zero wastewater.

Forest Carbon in Indonesia. This funding is expected to lead to 71,000 hectares of sustainably managed forests and wetlands, as well as the mitigation of 1.8 million tons of greenhouse gas emissions per year, protected biodiversity, the creation of 500 jobs for local people and a positive impact on the lives of 12,000 people. Forestry management is an important tool in addressing climate change adaptation. Well-managed landscapes can reduce the potential for forest fires, which are major greenhouse gas emission events. SNV is supporting Forest Carbon's social and environmental assessment activities, to meet investors' ESG requirements and to enhance the long-term success of each project.

SNV supports business ideas  
with grant funding and technical  
assistance to turn them into bankable  
business investment plans  
for investment opportunities.





# Opportunities for Youth Employment

More than half of young people do not have a job or are underemployed in many developing countries. Structural obstacles such as lack of access to meaningful employment opportunities, skills training, or affordable finance prevent young people from using their capabilities which in turn hampers economic growth. SNV's Youth Employment portfolio is growing rapidly. In 2020, 27,500 young people gained new employment through SNV projects. The Opportunities for Youth Employment (OYE) product applies a market-based approach to stimulate employment and entrepreneurship for youth in the Agriculture, Energy, and WASH sectors. Despite the COVID-19 pandemic, implementation of OYE and youth inclusion activities remained steadfast in 2020 thanks to the flexibility of our donors and partners allowing adjustments to project activities, budget repurposing, and restructuring to adapt to the new realities.

The 2SCALE programme, funded by the Netherlands Ministry of Foreign Affairs

adapted the OYE Push-Match-Pull youth employment strategy to empower young agripreneurs in selected value chains in eight countries in Sub-Saharan Africa. In Ethiopia and Ghana, 824 young women and men have increased access to inputs and improved seeds, equipment, technical training and can access micro loans through youth saving schemes and formal financial service providers. In Kenya, four youth groups successfully set up seedling raising nursery enterprises in vegetable production value chains and 13 youth producer groups joined a Business Champion out-grower scheme.

In Mali, the European Commission-funded EJOM project supported 2,659 budding young entrepreneurs (48% women) with technical, business, and soft skills training as well as business development services and start up kits. In Ethiopia, the MasterCard Foundation-funded RAYEE project brokered access to finance totalling close to USD\$ 2.2 million for 1,100 newly established SMEs. Sources of this finance

include financial service provider loans, service contracts provided by government institutions and private firms, coupled with own contributions by the youth. In another project in Ethiopia, the Sida-funded LI-WAY project, more than 4,500 youth and women have secured employment working with partners and establishing small enterprises. Under the Cabo Delgado OYE project in Mozambique, funded by the Embassy of the Kingdom of the Netherlands, three partnership agreements were signed with private sector companies in collaboration with government institutions with the aim to link youth with concrete market opportunities, technical training, and internships and social and business development skills for formal employment.

Within the renewable energy sector, there are significant opportunities for young men and women to set up businesses related to cookstoves, biogas or solar and related appliances. Building on successful SNV experience applying the OYE approach in the energy sector in Rwanda and Tanzania, OYE interventions in energy are currently underway in Ghana and Zimbabwe, and are being explored for other countries as well.

In response to COVID-19 and the role of youth, the EUTF-funded GrEEen project in Ghana launched a COVID-19 youth challenge fund and provided technical and financial support to four micro entrepreneurs to scale up and develop products in support of Ghana's efforts to fight COVID-19. The project is helping Ghanaian businesses in the Agriculture, Energy, and WASH sectors to contribute to green and climate-resilient local economies.





**1.5  
million  
people**

gained improved  
access to energy.





# Energy

Impact: Our energy portfolio measurably reached **1.5 million people** in 14 countries in 2020. The vast majority of this relates to people with new access to sustainable and affordable energy. We also reduced emissions by the equivalent over 600,000 tonnes of CO<sub>2</sub>.

## Context

Roughly, one billion people around the world still have no access to electricity and around three billion do not have access to clean cooking energy. With the current rate of progress, the world will fall short of meeting the targets of the Sustainable Development Goal 7, which aims to achieve universal access to affordable and sustainable energy by 2030. Those still lacking access are increasingly concentrated in Sub-Saharan Africa. The share of the global population with access to clean fuels and technologies for cooking has increased but population growth is outpacing annual growth in access.

The global use of unsustainable energy sources is a serious cause of climate change, with low-income groups being particularly vulnerable to climate impacts. Limiting global temperature rise below 1.5-2° C, as agreed in the Paris Climate Agreement, requires an energy transition away from fossil fuels. After a transitional period, renewable energy sources are expected to make up most of the world's energy production. Donors increasingly integrate climate actions into their funding portfolios and understand that the energy transition requires a broad systems change approach.

We increasingly look to integrate climate actions across our portfolio, understanding that the energy transition requires a broad systems change approach.

In 2020, the world faced yet another global challenge, fighting the impacts of COVID-19, with major risks for the poorest countries and the millions of people living in extreme poverty without access to energy. Now more than ever, we need to ensure that our interventions leave no one behind. Interventions to provide and improve access to energy are an important component of an effective response to the COVID-19 pandemic. Not only is energy critical in powering health clinics and appliances needed to treat patients, but it also allows people to communicate (by powering cell phones, radio and TV), to stay informed on preventive measures, and minimise the spreading of the virus. Lighting and power allow people to cope with stay-at-home measures, and to increase the resilience of communities, for example ensuring

food security by powering agriculture. Clean cooking reduces risks of respiratory viral infections (like COVID-19) by reducing indoor air pollution and lowers the burden of collecting and using fuel wood, especially for women whose care duties increase due to the pandemic.

## Sustainable Energy Markets

SNV's work in energy is primarily guided by SDG7, with its globally applied Sustainable Energy Markets (SEM) product along with its cross-cutting Climate & Business (C&B), and Opportunities for Youth Employment (OYE) products. While using energy access, climate change, and youth employment as entry points, we promote private sector-driven market development in biodigesters, off-grid electricity and clean cooking & heating in all three products. The dominant focus is on increasing 'access to energy' for end-users, seeking to leave no one behind. 'Productive uses of energy' are increasingly included in our projects. Our commitment to equity translates into a focus on gender and youth.

SNV's core product in the energy sector, Sustainable Energy Markets (SEM), has the overarching objective of increasing access to affordable, reliable, sustainable, and modern





energy technologies and services by supporting the development of sustainable markets. By applying our SEM product, we develop markets for biodigesters, clean cooking & heating, as well as for off-grid electrification. SNV applies a comprehensive approach stimulating demand, facilitating supply, and improving enabling environment conditions. SNV works towards increased quality and reliability of technologies, while increasing access to and supply of affordable finance for both end-users and private sector suppliers.

We do this through early-stage grants and Results Based Financing (RBF) schemes. Combining international state-of-the-art expertise with local know-how, SEM offers solutions for energising households, micro-, small- and medium-sized enterprises (MSMEs) and local institutions.

**Biodigesters** reduce indoor air pollution and related health hazards, decrease carbon emissions and lead to time and cost savings for households, in particular for women. Bio-slurry generated from

digesters is equally valuable, providing a potent organic fertiliser for agriculture. Through the SNV supported biodigester programmes in 2020, over 45,000 additional people benefitted from access to biogas for clean cooking, and bio-slurry as an organic fertiliser, leading to increased agricultural production. Particularly the European Commission-funded Biogas Dissemination Scale-Up Programme in Ethiopia and the EnDev supported biodigester programme in Vietnam produced good results. The Vietnam

## Eight years of EnDev Results Based Financing Facility (RBFF)

2020 saw the closure of the FCDO-funded Results Based Financing Facility (RBFF), implemented through the Energising Development (EnDev) partnership, of which SNV is part. From 2013 to 2020, EnDev piloted Results Based Financing (RBF) approaches to enhance energy access markets in Africa, Asia and Latin America, benefitting 5.8 million people with improved access to energy. The trajectory was closed in 2020 with a number of webinars and publications to share lessons learned.

As part of this broader EnDev RBFF, SNV implemented RBF facilities for decentralised renewable energy in Cambodia, Laos, Kenya, Tanzania, and Vietnam. The RBF model was designed to provide financial incentives to private sector actors selling solar systems, improved cookstoves and/or biodigesters, as a temporary measure aimed at transforming the markets to an efficient and self-sustaining level. The RBF incentives were provided as an ex-post payment to companies, distributors, and financial institutions per unit of product sold, upon delivery and verification of pre-agreed results by an external independent verifier.

As an example, in Kenya alone through these RBF facilities, 1.6 million people gained access to cleaner energy solutions and 4,678 new jobs were created along the solar and cookstoves value chains, with at least 40% of these jobs going to women.

"The RBF incentives provided to solar companies acted as a guarantee for SunFunder to include local companies in our loan portfolio, helping them expand their activities and, ultimately, the number of people who gained improved energy access. Some of these companies have now emerged as leading players in the solar industry in East Africa."

**Audrey Desiderato,**

Co-founder & COO, SunFunder (investor)

"This incentive is exactly the kind of support we need to rapidly expand energy access to the customers who need it most. We believe it is an ideal model because it accelerates the market without distorting it. The RBF facility played a critical role in scaling up Zola's operations to include remote parts of Tanzania. We have significantly expanded our market access as a result. We now have more than 150,000 customers and operations in Rwanda, Côte d'Ivoire and Ghana."

**Xavier Helgesen, CEO,**

Zola Electric (formerly known as Off Grid Electric, solar company)



Biogas Programme, in its final year of support from EnDev overachieved its annual target with 32.5%, with 5,961 biodigesters installed in 2020.

In West-Africa, SNV and Hivos funded by the Netherlands Ministry of Foreign Affairs and the Netherlands Enterprise Agency (RVO) supported the creation of the West & Central Biodigester Alliance. A total of six countries, including Benin, Burkina Faso, Mali, and Niger, have endorsed the establishment of this Alliance and regard biodigester technology as one of the most appropriate responses to food, nutrition, energy poverty, environmental degradation and climate change.

**Clean cooking solutions** reduce indoor air pollution and related health hazards. Households use a mix of cookstoves and fuels, and we support them moving to a cleaner mix. While targeting increased engagement in LPG, biogas and advanced biomass stoves, we still consider lower-tier solutions (improved use of charcoal and firewood) for those segments that cannot yet access higher-tier solutions. Globally, through clean cooking interventions managed by SNV, more than 820,000 people benefitted from access to improved or clean cooking. Good results were achieved in the EnDev-funded programmes in Kenya, Laos, Rwanda, and Tanzania. In some cases, such as Mali, progress was seriously affected by COVID-19, political instability and levels of insecurity. Despite these results, it is clear that increased efforts are required

to achieve scale and significantly reduce the number of people not having access to clean cooking.

In Cambodia, a new approach was developed under EnDev borrowing from the behaviour change approach in our WASH sector. The Smoke-Free Village campaign offers an area-wide communication approach combining demand creation and supply chain strengthening in the local context, engaging local governmental bodies, health and school authorities and pagodas. First results achieved so far look promising, but more time will be required to finetune the approach.

**Solar and other renewable off-grid electricity solutions** offer households, businesses and institutions access to energy for consumption and production. We engage in stand-alone systems (pico-solar PV, solar home systems) and mini-grids. Different business models, financial mechanisms, and support with technical assistance are needed for each of these markets to develop and implement localised solutions.

In 2020, SNV supported access to electricity for more than 600,000 people, through private sector provision of off-grid solar power, particularly in Kenya, Mozambique, and Tanzania. In Kenya and Tanzania, this coincided with the closure of EnDev's Results Based Financing Facility funded by the Foreign, Commonwealth & Development Office

(FCDO), with a number of publications and webinars in 2020 in which SNV actively contributed to sharing lessons learned. 2020 saw the first disbursements of the World Bank-funded Kenya Off-Grid Solar Access Project (KOSAP). Managed by SNV in partnership with SunFunder, KOSAP is a flagship project of the Ministry of Energy in Kenya, financed by the World Bank, aimed at providing electricity and clean cooking solutions in the remote, sparsely populated, and traditionally underserved areas of the country. KOSAP made important progress, with 10 companies contracted, with a combined overall target of 815,165 people provided with new or improved electricity service in the underserved counties of Kenya. Based on the reported sales between June-December 2020, 165,740 people have been provided with a new electricity service already, through the installation of 33,148 solar home systems.

In Mozambique, the Caixa Piloto (Pilot Box) initiative on mini-grids and policy reform, part of the UK FCDO-funded BRILHO Energy Africa programme, is currently the driving force for the development of the first off-grid energy regulation in the country. In partnership with government agencies, this programme will provide the required framework for the implementation of mini-grid business initiatives, with clear procedures and conditions in place to ensure viability and sustainability of the proposed business models. This was fast-tracked after BRILHO's first call for applications in 2020, in which eight mini-grid initiatives were shortlisted, in addition to 21 shortlisted applications on solar home systems and clean cooking. First sales recorded in 2020 include 18,912 solar home systems, benefiting over 80,000 people in Mozambique.



## Energy nexus interventions

Further integration of energy in agricultural projects was realised in the Climate Resilient Agribusiness for Tomorrow (CRAFT) project funded by the Dutch Ministry of Foreign Affairs (DGIS) (see Box). Through the application of an inclusive business approach to climate-smart and resilient agriculture, the project envisions not only attaining business impact, but also societal and environmental impact. Increasing the uptake of renewable energy and energy efficiency solutions for increased production and productivity as part of the overall climate-smart agricultural services (practices and technologies) in prioritised value chains, is an important element in CRAFT. Examples are solar-powered cold storage, passive solar-powered drying technologies, and solar-powered irrigation, agricultural waste to energy, energy efficient operation of tractor hire services for production and energy efficient practices in agricultural processing.

Energy-related business cases are also part of the Dutch Fund for Climate and Development (DFCD) funded by the Dutch Government (see Box). One of the DFCD-supported business cases approved in 2020 aims to install 200 solar-powered desalination systems in rural Kenya, capable of supplying 1,300 m<sup>3</sup> of drinking water per day and more than one GWh (per year) of clean off-grid energy to power the desalination plants, benefitting at least 400,000 people.

## Impact and outcomes

SNV's work in energy is guided by SDG7, among others. SDG7 aims to achieve by 2030 universal access to energy, an increase in energy efficiency by 50%, and



a doubling of global renewable energy production. Clean energy and energy efficiency contribute to other SDGs notably SDG1 (Poverty), SDG3 (Good health and wellbeing), SDG5 (Gender equality) and SDG13 (Climate action). Energy for all would significantly improve the lives of those without access and boost their economic prospects. Women stand to gain by cutting the time spent gathering fuel and cooking and avoiding indoor air pollution.

In 2020, SNV's energy programmes reached 1.5 million people. The vast majority of this relates to people with new access to sustainable and affordable energy. Globally, through clean cooking interventions managed by SNV, more than 820,000 people benefitted from access to improved or clean cooking. SNV supported access to electricity for more than 600,000 people, through private sector provision of off-grid solar power. SNV supported the installation of 11,762 biogas digesters in 2020. Through the SNV supported biogas digester programmes in 2020, over 45,000 people benefitted from access to biogas for clean cooking, and bio-slurry as an organic fertiliser, leading to increased agricultural production. We also reduced emissions by the equivalent of 605,800 tonnes of CO<sub>2</sub>.

Despite challenges related to the COVID-19 pandemic, we met and even over-achieved the impact targets set for 2020.

However, it is clear that more action is required to achieve scale and significantly reduce the number of people not having access to affordable energy.

While we anticipated significant impact from COVID-19 on operations of companies, critical in delivering energy access, our data show that impact on results delivery has been limited so far. Although we saw stagnation of operations and underperformance in several projects/countries, this was compensated by overperformance in other projects/countries and response measures taken to the pandemic. In some cases, even higher results were reported (stay-at-home measures leading to people investing more in solar home systems and even clean cooking), while COVID19 response packages (from investors and development partners, including e.g. through EnDev) supported continued operations as well. SNV took part in these COVID-19 response measures, with good results.

Results Based Financing, where incentives are disbursed to companies after energy access delivery, has been a critical instrument to drive these results. During COVID times, with some adjustments (e.g. shifting to remote verification), it was possible to continue implementing these RBF schemes, accelerating and scaling the dissemination of solutions that bring access to energy to those who need it most.



## Knowledge, learning, and partnerships

SNV continued its internal knowledge exchange on biodigesters, clean cooking, and off-grid electrification, as well as on cross-cutting topics including productive use of energy, gender, and social inclusion. A gender focal point was appointed for the energy sector to increase knowledge exchange and learning, and a systematic approach towards integrating gender in project design and implementation. A virtual global energy sector meeting was successfully carried out with cross-country learning between colleagues, and

external partners. A series of publications was launched on how SNV contributes to systems change, with practical examples and evidence from the Voice for Change Partnership (V4CP) Programme and the Tanzania Results Based Financing (RBF) programme for off-grid solar. Both projects successfully closed in 2020.

A highlight was the Learning & Innovation Agenda on Productive Use of Energy (PUE), led by SNV on behalf of the Energising Development (EnDev) partnership, which included a Community of Practice with active participation from AVSI, CLASP, GIZ, Hivos, Practical Action,

amongst others. While PUE is starting to receive more attention in the SDG7 community, there are still barriers that prevent PUE business models from scaling. Following stakeholder consultation, SNV led the development of a new publication with the aim to contribute to the accelerated implementation and impact of PUE interventions globally. The report analyses different approaches in various PUE promotion projects, and categorises projects, success factors, and challenges.

## Voice for Change Partnership (V4CP)

Civil society plays a crucial role in mobilising citizens' voices and ensuring that the interests of low-income and marginalised communities are included in government and business policies and practices. The DGIS-financed Voice for Change Partnership (2016-2020) empowered civil society organisations to engage with decision-makers and voice their views more effectively by taking an evidence-based approach to advocacy. They focused on four thematic areas: Food & Nutrition Security, Resilience for Pastoralists, Renewable Energy, and Water, Sanitation & Hygiene (WASH). In the energy sector, V4CP engaged in four countries: Burkina Faso, Ghana, Honduras, and Kenya. Key results include alignment in the clean cooking/renewable energy sector, increased coordination with and within national government, and renewable energy plans by local governments.

Based on the results and learnings from the V4CP programme, several approaches have proven effective for influencing the enabling environment, such as strengthening the voice of civil society, increased alignment through multi-stakeholder processes, collaboration with governments at different levels and increased accountability mechanisms. Results and lessons learned were documented in 2020 in a series of publications, stories of change, learning briefs and key evidence products, which are available at SNV's website for download.

"Though the creation of the National Agency for Renewable Energy and Energetical Efficiency (ANEREE) was already planned by the government, the advocacy conducted by CSOs has particularly sped up the adoption of the statutes of the agency. Its role will be to regulate the renewable energy sector and help quality norms to be applied to products and services of this sector in Burkina Faso."

**Djourmité Nestor Noufe,**  
Director for advocacy and resources mobilisation,  
ANEREE

"Today, all our voices are echoing like one louder voice. We better understand the government and moreover, we have learned from other organisations and networked with them."

**Mrs. Clarisse Nebie,**  
CEAS monitoring, V4CP Burkina Faso



PLEASE  
DON'T MAKE  
NOISE

**2.5  
million**

people gained access  
to water, sanitation  
and hygiene  
services.

# Water, Sanitation and Hygiene

Impact: In 2020, our water, sanitation and hygiene (WASH) activities directly contributed to **2.5 million people** in 18 countries gaining access to WASH. We measured 1.2 million people gaining access to, and use of, sanitation, and over 0.6 million people gaining access to basic drinking water supply services. An additional 0.9 million people now practice handwashing with soap after defecation.

## Context

Water and sanitation service providers, supply chains, and the outreach of health promoters were, like almost all other areas of society, heavily affected and influenced by the COVID-19 pandemic in 2020. There was an expectation among WASH ministries, institutions and professionals that this would lead to a revaluation of the importance of WASH for preventing communicable diseases, like COVID-19. Having water and sanitation services at home or in school, enables good hygiene behaviours. This is particularly true for healthcare facilities: without water and sanitation in the facilities, it is impossible to ensure good infection prevention and control. This did not happen to the extent WASH professionals had hoped. There were a number of short-term COVID-19 response efforts, both nationally and internationally, ranging from the provision of handwashing stations, equipment, face masks, soap, sanitizer, etc. to massive behavioural change communication (BCC) efforts. This also involved new target

COVID-19 response efforts ranged from the provision of handwashing stations, equipment, face masks, soap, sanitizer, etc. to massive behavioural change communication (BCC) efforts

audiences, beyond mothers and children, family, school and healthcare settings, the focus broadened to public places (markets, bus stations, places of worship) where the transmission of the virus is/was happening. However, the longer-term provision of WASH services and its sustainability suffered as a side-effect of the pandemic. Many of the installed handwashing stations were temporary, ending up without water or vandalised. In a number of countries, governments announced that nobody could be cut off from water supply for not paying, which led to a substantial reduction of income for water utilities that were

already struggling to cover their basic operating costs. Investment aimed at treatment infrastructure, was re-directed towards COVID-19 response. Supply chains of chemicals and spare parts were disrupted. It is expected that this decapitalisation, of the water supply side, may lead to a decline in access and/or service levels and greater inequality.

The COVID-19 crisis did increase general awareness about vulnerability and crisis in general, and the rising inequalities these entail. The topic of anti-microbial resistance has become increasingly prominent for WASH professionals and institutions responsible for WASH, as the WHO considers this one of the top 10 global public health threats facing humanity. Lack of WASH services contributes to this process. The expected impacts of climate change crisis, already on the agenda, became more tangible, and thereby the importance of water security for all. In addition to the need for climate adaptation and disaster risk reduction for all areas of WASH, there is emerging research about the significant contribution to





GHG emissions from on-site sanitation facilities.

To really address the above issues, we need to achieve universal safely managed access to both water and sanitation, as defined in the SDGs targets. This means reliable, accessible water in the right quantities and quality, and sanitation that is safely managed along the entire chain, until it's safely disposed or reused. On a global population of 7.6 billion, 2.2 billion

do not (yet) have access to safely managed water supply and 4.2 billion lack access to safely managed sanitation.

### **Sustainable Rural Sanitation and Hygiene for All (SSH4A) at Scale**

COVID-19 response activities were integrated in many projects across our WASH portfolio. Donors from ongoing projects asked us to re-direct part of the

budget to COVID-19 response and/or provided additional funding. This ranges from the World Bank-funded PROSASUR project in Honduras, the DGIS-funded OmiDelta programme in Benin, to the Australian Department of Foreign Affairs and Trade (DFAT)-funded Water for Women project in Asia. Moreover, a number of countries (Indonesia, Kenya, Mozambique, Rwanda, and Uganda) are implementing dedicated COVID-19 response projects with funding from the

## **Millions of people gaining access to sanitation and hygiene under flagship multi-country programme**

In 2020, we closed the second phase of the FCDO-funded Sustainable Sanitation and Hygiene for All (SSH4A) Results programme project in Ethiopia, Kenya, Mozambique, Nepal, Tanzania, Uganda, and Zambia. Earlier, the Ghana and South Sudan projects closed. Thereby a 6-year Results Based Finance (RBF) project across 9 countries came to an end. Through this programme, 4.2 million people gained access to basic sanitation and 2 million additional people practised hand-washing with soap. The programme worked on a broader change investing heavily in the WASH service delivery system with, for example, all 84 districts developing their district-wide sanitation plan with budgets and strategies to reach potentially vulnerable groups such as people with disability or people in remote areas of the project. SSH4A also invested in sanitation market development in all countries. Though a sanitation supply chain analysis and informed choice manuals on sanitation technology options were developed in each country, strategies differed significantly by context. For example, in Asia, development of the market built on existing market players and focused on greater outreach and sales to a larger range of consumer segments. In Africa, the rural sanitation market was incipient or non-existent, and our efforts ranged from product development (SAFI in Kenya, Tanzania, and Ethiopia), business development of entrepreneurs to strengthening market linkages and outreach.

The programme areas of the SSH4A Results programme are part of the ongoing post-intervention sustainability study led by Emory University. Findings of post-programme sustainability are expected in 2021.



Sub-County Chief Jangkoro is photographed talking about the importance of good hygiene and sanitation at the Ayibu village. Strong political will and involvement of local government in sanitation campaigns helped raise household toilet access to 81% (55% in 2014) of households in Uganda.

FCDO/UNILEVER HBCC, DGIS, and others. All response activities included hygiene behavioural change interventions, focused on transport hubs, markets, healthcare facilities, schools and of course the public. This partly built on existing assets, e.g. from the Unilever Hygiene Behavioural Change Coalition (HBCC) and partly involved new formative research. In many countries, for example in Laos, BCC was implemented through a combination of interpersonal communication and mass communication, often with messaging through radio, TV, SMS, and other telephone communication. In Indonesia, a specific COVID-19 website was developed through the partnership with Every1Mobile. The WASH team also provided support to the agricultural COVID-19 response programme CORE-Africa, particularly on the area of health and hygiene in agricultural value chains.

SSH4A programmes always had a focus on inclusion and leaving no one behind, but through the DFAT-funded Water for Women Fund programmes in Bhutan and Laos we deepened this, strengthening our capacities in gender transformation, to reach sexual minorities and people with disability, the latter with support from CBM Australia. This also informed disability sensitive programming in other countries. African SSH4A programmes continued to work on sanitation markets, which are still one of the biggest bottlenecks in these countries.

### Area-wide Rural Water Supply Services

Area-wide Rural Water Supply Services (ARWSS) programmes continued to focus on sustained service delivery and systems change within a decentralised context. A lot of investments were made in

### Governance, regulation, and sustainable cost-recovery were priority topics in all countries.

improving local government procurement and oversight processes, performance monitoring of small operators (community based or privately managed) and climate adaptation. Several ARWSS projects are integrated in a broader Integrated Water Resources Management (IWRM) project focused on improving water security and strengthening climate adaptation.

### Urban Sanitation and Hygiene

The city-wide urban sanitation product, Urban Sanitation and Hygiene for Health and Development (USHHD) is implemented in 20 cities across 5 countries. In addition, there are urban sanitation activities which are not city-wide in Ethiopia, Kenya, and Mozambique, focussing on low-income areas and re-use of faecal sludge. Governance, regulation, and sustainable cost-recovery were priority topics in all countries. Moreover, all countries went through an informed choice process with local authorities, which led to the selection of faecal sludge treatment options many of which are now under construction.

In all SNV WASH products, the integration of WASH in healthcare facilities was strengthened. Accessibility for people with disability and safe healthcare waste management were priority topics, in addition of course to COVID response.

### Impact and outcomes

Our WASH activities contributed to access to WASH for 2.5 million people in 2020. Our projects resulted in 1.2 million people gaining access to, and use of, sanitation, and over 0.6 million people gaining access to basic drinking water supply services. An additional 0.9 million people now practice handwashing with soap after defecation. Though some activities were disrupted due to COVID, additional activities in COVID-19 response were added, hence, we met our targets.

In addition to the number of people who benefit directly from our programme, SNV's WASH programmes aim to facilitate structural change at different levels (national, regional, local), contributing to sustainable service delivery systems which interlink consumers, service providers and governments in ways that ensure an efficient, financially viable, and quality service with required checks and balances.

### Knowledge, learning, and partnerships

The practice of WASH learning events was disrupted in 2020 as COVID-19 not only prevented face-to-face encounters but also heavily dominated the content agenda over the first half of the year. A considerable amount of the learning geared around the COVID-19 response activities: action research on no-touch handwashing devices, COVID-19 specific indicators, virtual outreach and collaboration tools for partners, and even to reach households. SNV's internal experience of business continuity planning was used to advise partner utilities and local governments. We participated and co-organised many webinars around WASH & COVID-19.



## Female leaders mobilising the community

The SDC-funded GoTAS project in Mozambique, stands for Governance Programme in Water, Sanitation and Health. It aims to improve the living conditions of the rural population in five districts of Niassa Province through the provision of rural WASH services promoting effective decentralisation and active participation of citizens. Governance is a critical factor, as is the capacity of local government to implement in a responsive and accountable way. During 2020, the project was impacted by COVID-19, with a pause in activities, but pivoted to support the Provincial Health service response. The project supported 34,838 people to gain access to safe and hygienic sanitation and rehabilitated 62 water points with local artisans. The project also supported local government to construct new infrastructure improving access to WASH in four healthcare facilities and completed training in the WASH FIT tool to support sustainability of these facilities.

In Niassa province, two women recognised that their community had long suffered from waterborne disease and decided to participate in a meeting for hygiene behaviour change supported by the GoTAS programme. Due to their proactivity, they were chosen by the community as leading members of the sanitation group and this is when their leadership journey began.



"With the funds collected, we have managed to repair our water sources. Last week the bushes on the pump failed, on the same day we travelled to the city to buy the parts, returned and managed to replace them. It was a beautifully smooth process thanks to the collaboration of the community together with our advisory board. Today, we have a clean community, people are healthy, children can study well, the distances to fetch water are reduced, and consequently we are happy in our homes...  
Long live Water, Long live GoTAS!"

**Matilde Canhenga and Fatima Asseli,**  
Mbetazigone, Lichinga District, Niassa Province,  
Mozambique.

Moreover, the WASH team is an integral part of the Agriculture-led CORE-Africa project, developing the thinking and methodologies for hygiene integration in agricultural value chains.

With the absence of physical events, the nature of learning activities shifted. Several virtual short sessions took place over a range of months. In 2020, we

started the Behavioural Design hub in which an expert organisation, Upward Spiral, guides country teams through the research and design circle for behavioural change. Teams from Bangladesh, Bhutan, Laos, Mozambique, and Tanzania participated in this unique approach (developed by Upward Spiral) of guidance, field work, coaching, and sharing. All worked on different key behaviours which were

crucial to their ongoing programmes. In Nepal, the Gender Equality Measure (GEM) tool was tested with support from the Institute for Sustainable Futures of the University of Sydney (ISF/UTS). This tool aims to identify intended and unintended changes associated with WASH programmes. In Bhutan, the Making Rights Real approach was tested. Furthermore, within the WASH SDG



SNV's internal experience of business continuity planning was used to advise partner utilities and local governments.

We co-organised and participated in many webinars around WASH & COVID-19.

programme and consortium (with Plan and the Dutch WASH Alliance), a long-term learning activity was conducted around gender equality and social inclusion. The Voice for Change programme consolidated and shared its learnings with a broad range of in-country partners.

SNV continued with its ongoing knowledge partnerships with the Institute for Sustainable Futures of the University of Sydney (ISF/UTS) around urban sanitation and gender, and with Emory University in the USA around rural sanitation and hygiene. The peer-reviewed article on SSH4A was published and the sustainability study is ongoing. We continued our collaboration in the Initiative for Sanitation Workers with WaterAid, World Bank, WHO, and ILO, and within the Call to Action for Rural Sanitation and Hygiene with WaterAid, World Bank, Plan, USAID, UNICEF, and the Institute of Development Studies. We also participated in global (virtual) events on defining safely managed sanitation, climate change, measuring water security and the dissemination of lessons learned from Results Based Financing, among other topics.

## Building local capacity in Nepal

The year 2020 was a key implementation year for the USAID-funded Swachchhata project (Health and hygiene activity) in Nepal. The project aimed at improving access to WASH in healthcare facilities, completed work in the 80 healthcare facilities in access to water, sanitation and solar powered energy, as well as infection prevention and control measures. The project used a 3-dialogue process to ensure institutional embedding, co-contribution and sustainability of infrastructure. This process allowed for broad stakeholder engagement, leverage up to 40% of the infrastructure value and transparency as it closed with a public audit. Moreover, it strengthened the local systems around healthcare facilities responsible for governance and oversight, management of water supply and for supplies and equipment.

### Breaking the gender norms

During the construction of the improvement works in her ward, Nandakali Pariyar, was interested in taking on the responsibility of being a village maintenance worker and provide her time for necessary maintenance works of the water supply system in the future.



"During the five-day training I come to know about different types of pipes and equipment to join the pipes. For the first time, I handled a wrench. It was difficult for me to tighten the knot using a wrench. However, after several practical sessions in the training finally I learnt to manage the maintenance equipment. Now I am very happy to have learned new things which were previously perceived as only as a man's job,"

said **Nandakali Pariyar**, a resident and active social worker. She is a Female Community Health Volunteer (FCHV) and a member of the existing Water Users and Sanitation Committee (WUSC).

# Changing the systems which trap people in poverty

Our projects do not just deliver direct results. They also aim to contribute to changing the systems which trap people in poverty. Our projects intend to influence markets and governance processes to function better by kickstarting markets, supporting governments and other actors to improve their service delivery, and improving government and market accountability. We focus on projects that provide opportunities to **create sustainable, large-scale impact**.



When additional financial resources are leveraged



When we kick-start markets that sustain themselves



When government and others adopt our approaches



When we change rules/norms/the new normal

The deep on-the-ground engagement of our teams in combination with our (access to) international knowledge helps to change systems from within. Whether it is sanitation tax collection, water supply spare part provision, farmer extension, SME business development, dairy service markets, or horticulture business platforms, we build models that are driven by local actors, fit in the institutional and political setting, can be locally financed and shift prevailing mindsets. We connect these proven local solutions to national governments and aim that policy makers adopt our approaches. With the combination of our feet-on-the-ground and international reputation, we are a trusted discussion partner at the strategic and policy level. We help to build enabling conditions, policies, financing arrangements, protocols and capacities that help sustain and further scale improvements beyond the individual project.

Contributing to systems change is complex – especially in the fluid and unpredictable context we work in. We mainstreamed the use of four success parameters into

our project development and implementation: Leveraging finance, kickstarting markets, institutional embedding with government and others, and creating a new normal by changing rules and norms. These parameters have proven to be a pragmatic way to narrate results and measure success. However, we know we have much more to learn. We are committed to deepening our knowledge on systems-based approaches to further refine the way we measure and showcase our contributions systems change in the future.

In the three country narratives below, SNV showcased significant contributions to systems change along at least two, often three or four, of these parameters. Many other examples of systems change are mentioned throughout this annual report. Creating systems change is an incremental process and we are on track to reach our target to significantly contribute to systems change in Agriculture, Energy, and WASH sectors in 21 countries by 2022.



## Systems change enabling climate change adaption in Kenya

Agriculture supports the livelihoods of over 40% of the Kenyan people, making up 26% of Kenya's GDP and feeds a growing population. However, unpredictable weather patterns are putting agriculture production and livelihoods at risk. A shift towards climate-smart agriculture is needed to ensure the sustainability of agriculture in Kenya and minimise the impact on people's lives. SNV contributed to systems change in climate adaptation in Kenya by kick-starting markets, leveraging finance, and governments adopting new approaches.

Supporting smallholder farmers and agricultural SMEs to adapt to climate change was a focus area for SNV Kenya projects like the DGIS-funded projects Climate Resilient Agribusiness for Tomorrow (CRAFT), 2SCALE, and the Dutch Fund for Climate and Development (DFCD). Climate-smart services and technologies such as improved seeds, crop specific fertilizers, weather information, crop insurance, and other innovations are often not accessible or affordable to smallholder farmers. SNV supports businesses to bring such services to farmers, for instance via co-funding, linking value chain actors and training. In 2019-2020, SNV supported 137,500 Kenyan farmers to increase their productivity by adopting climate-smart prac-

tices and 165 SMEs to increase their turnover. Moreover, SNV supported SMEs to access private sector finance from institutes that have historically been hesitant to finance climate-smart innovations. In total, SNV and partners leveraged €12.4M from the private sector against grant funding of €8.8M. For SMEs and farmers, access to finance is key for their continuous adaptation and resilience to climate change. More work is needed to ensure this becomes widely accessible and affordable.

Through advocacy and lobbying efforts with partners, SNV engaged counties and national bodies to adopt policies supporting value chain actors to shift to climate-smart agriculture. For instance, County Marsabit was engaged to develop the Climate Change Fund Act, setting a 2% development budget for climate change adaptation projects. County Isiolo was engaged to support livestock insurance via the Isiolo Livestock Sale Yard Bill, increasing the resilience of livestock farmers in case of drought. Such structural finance and bills are important to be able to make the transition towards large-scale roll out of climate-smart agriculture. However, challenges remain, as not all counties have adopted similar plans and the implementation of such policies is slow.







## Systems change through biodigesters in Vietnam

Since 2003, SNV has been supporting the development and uptake of household biodigesters in Vietnam. The approach included an investment subsidy to farmers and – typical for Vietnam – a prominent role for (local) government in sector functions like promotion and quality assurance. In 2013, a different approach was required to enlarge the role of the private sector and to make the sector less dependent on ODA. Central to this approach was to transition sector functions to the private sector through the provision of business development services accompanied with a scheme offering Result-Based Incentives (RBIs) to biodigester companies. SNV contributed to systems change of the biodigester sector in Vietnam by leveraging finance, kickstarting markets, and governments adopting our approaches.

About 50,000 biodigesters were installed by the end of 2020, despite several external factors hampering the sector, including a collapsing pork market, widespread and repeated incidence of the African Swine Flu and COVID-19. The receiving companies refined their market approaches and increased their sales, among others, through extended sales points, enhanced advertising, focus on quality and

discounts for customers. The companies benefitted from higher margins and expressed increased empowerment. Also noteworthy was the growth of companies offering premanufactured, composite digesters. These companies proved to be more flexible and efficient in adapting to the market. Despite being more expensive than brick-made units built in situ, the composite digesters save installation time and enjoy a better reputation with farmers regarding gas-tightness and smell. In 2019-2020, composite biodigesters held over 80% market share, indicating a trend towards service convenience and perceived reliability.

The project leveraged ODA through the sales of credits from the reduction of GHG emissions. Registered under the Gold Standard, over USD\$ 8 million was earned through the reduction of 3 million tons of CO<sub>2</sub> by the end of 2020. These carbon revenues are crucial for the sustainable financing of the biodigester market, although an important challenge is the government allowing their free use to support the market. Moreover, acceptance by and support from the government to the increased role of private companies remains necessary.





## Regulatory framework for wastewater treatment in Indonesia

In Indonesia, implementation of public policies and of sectoral agencies activities at municipal level must be endorsed by municipal laws and regulations. Drafting municipal laws is a long process that is crucial to ensure the implementation of a coherent municipal strategy, enforcement of regulations across a sector, and sustainability of good practice in the long term. SNV contributed to systems change by influencing governments to adopt new approaches.

Since 2017, SNV has been supporting the development of city-wide urban sanitation services in three large cities in Indonesia through the Dutch-funded WASH SDGs programme for Sustainable and Inclusive Cities. In December 2019, the municipality of Tasikmalaya (660,000 inhabitants) approved a municipal law on domestic wastewater after SNV conducted sustained advocacy work along with local civil society organisations, the National

Association of wastewater operators (FORKALIM), community representatives, and universities. This work supported the local government to address a regulatory void on wastewater treatment and guarantees durable changes in the way local governments approach safely managed sanitation. New practices enhanced and supported by SNV to become the new norms are therefore authorised (e.g. the involvement of private operators), mainstreamed (e.g. the use of Standard Operating Procedures), or are legally part of the municipal sanitation strategy (e.g. scheduled desludging). The regulatory changes enable the implementation of the national sanitation policy at local level and enhances the mainstreaming of new norms in the way municipalities intend to implement their sanitation strategy to reach safely managed sanitation from 6% in 2018 to 25% of the inhabitants by 2024.

# Organisational developments

The 2020 COVID-19 pandemic **inevitably impacted on SNV's ability to improve livelihoods** and access to basic services as well as on SNV's financial results. Constraints ranged from the very immediate, as most of our team members moved to remote working arrangements, to the medium term as the donor landscape we operate in has faced financial pressures, as well as structural changes.

We now have eight Global Teams, of which five cover a functional area (Business Development, Corporate Affairs, Finance, Human Resources, and ICT) and three sectors (Agriculture, Energy, and WASH).

However, we entered the uncertainty of the evolving COVID-19 pandemic from a position of strength enabling us to remain operational in all countries despite restrictions on our activities. Our principle is to do no harm, ensuring that SNV does not put communities, team members, or anybody else at risk and does not contribute to spreading the virus. SNV complies with regulations of governments and the World Health Organisation. We have put business continuity plans in place and move towards social distancing plans in countries where restrictions were lifted.

## Structure

The Managing Board (MB) manages SNV under the supervision of a Supervisory Board (SB). The Managing Board consists of four statutory Directors and is chaired by the Chief Executive Officer (CEO). There were significant changes in the composition of the Managing Board in 2020. On 1 July, Managing Director Tom Derksen retired after several decades with SNV in many countries and positions. From that moment, the MB transitioned from a five-person MB with cross-sectional responsibilities to a four-member MB with each statutory director having a singular responsibility for sectors, country operations, and busi-

ness & finance (CFO). This enhances the consistency in steering across sectors and countries and improves timeliness of decision making. The second major change was the change of CEO with Meike van Ginneken stepping down in October and Simon O'Connell joining SNV on 1 December, 2020.

With the shifts in the Managing Board, we also made structural improvements to our Global Teams set-up. We now have eight Global Teams, of which five cover a functional area (Business Development, Corporate Affairs, Finance, Human Resources, and ICT) and three sectors (Agriculture, Energy, and WASH). The Corporate Affairs team was newly formed to improve organisational coherence and provide consistent and quality support on corporate issues including marketing communication, internal audit, policy, and legal. An enhanced Business Support and Control function has been set up under the Global Finance team.

We also clarified roles in the country teams and standardised the Country Management Team in each country.

In 2020, the affiliation of SNV and SNV USA came to an end. SNV USA rebranded itself into DevWorks International and agreed to no longer use corporate





names, trademarks, trade names, service marks, brands, copyrights and logos containing 'SNV'.

2020 was the second year of our four-year strategic period. SNV invested in six cross-unit Priority Projects to spur the implementation of the Strategic Plan: (1) a review and update of policies and procedures, (2) enhanced business data reliability and internal management reporting, (3) review and update employee reward packages, (4) strategic staffing (5) enhancing of tendering capacity, and (6) roll out leveraging finance and systems change approaches. All six Priority Projects were extended to 2021 and have been integrated within specific Global Teams to ensure continuity. The seventh

priority project on internal communication and learning was launched in 2020.

### Continued focus on three sectors

For the remainder of the current strategic period, we will keep our focus on Agriculture, Energy, and WASH, deepening our impact wherever possible. Across our work, we will further update and improve our existing products and approaches, and roll out new ones to address evolving needs, harness new opportunities and adjust according to changed contexts. In response to COVID-19 and a shifting donor landscape, we are also exploring opportunities to broaden the scope of the products and services within our core

areas of focus, with a view to enabling greater relevance to the needs and opportunities of the contexts where we work and increase the scale of our impact.

### Reduced revenues in a challenging year, positive financial net result

While the COVID-19 related impact on our business was tightly managed and minimised, we could not continue the trend of revenue growth from the previous years. The COVID-19 crisis impacted our revenue through reduced pace of project implementation. Our consolidated revenue in 2020 was €120M, which represents a 16% year-on-year





In 2020 we signed €182M in new contracts, which is in line with trends in previous years. Looking ahead for 2021, we do not expect the COVID-19 pandemic to significantly impact our financial results.

decrease. Due to the efficiency and cost control measures we took during the year, especially saving on global overhead costs, SNV managed to reach a positive financial result of €3.6M for the year 2020.

With our quick reaction to take measures and thanks to the flexibility of our donors, we were able to minimise the impact on our operations. We stayed in-country, maintained our full team, and continued our operations where possible, with adapted activities where necessary. Our measures to mitigate the effects on our financial situation included investing in positioning SNV in a post-COVID-19 world, a focused effort on project restructuring and re-budgeting where needed and continued enhancement of financial control measures. SNV has a solid liquidity position and reserves. In 2020 we signed €182M value of new contracts, in line

with trends in the previous years. As for 2021, we do not expect a significant impact on our financial result due to COVID-19.

SNV's projects are financed through grants and service contracts from public and private donors. We thank our donors and partners for their support through this crisis and look forward to a continued collaboration.

SNV worked in 26 countries in 2020. Each year, we conduct a medium-term outlook exercise to review our country footprint and country classification. We want to ensure that we are well-positioned to continue to add value in these local contexts and contribute to positively impacting people's lives. In 2020 we closed operations in Myanmar and we initiated the closing of operations in DR Congo and Cameroon.

### Our people – the core of our success

SNV employed 1297 people at end of 2020. While revenues dropped by 16%, the number of employees reduced only by 6% compared with 2019. Our team consisted 88% out of national employees and 6% international employees. The share of our team members based in The Netherlands remained stable at 6%. Annual staff turnover was 15% in line with previous years.

SNV remains a highly diverse organisation employing over 50 different nationalities. In 2020, the average age of our team members was 41, similar to previous years. The share of female employees dropped from 32% to 30%. The share of female senior employees remained at 31%. Improving our gender diversity

remains a point of attention which we are increasingly working to address.

Most of our country programmes are business units headed by a resident Country Director. Some countries report to a Country Director in a neighbouring country. In each country there is a Country Management Team consisting of a Country Director, Sector Leaders, Country Finance Manager and (if the size of the country allows it) an HR or Operations Manager. Three new Country Directors came on board in 2020.

The safety of our team members is our number one priority. SNV is increasing its investments in safety and security management, including additional in-country security capacity and global security oversight and coordination.

### Code of conduct

SNV has a zero-tolerance policy regarding irresponsible behaviour – whether it is sexual abuse, fraud and corruption, child labour, or discrimination based on gender, ethnicity, or sexual orientation. This starts with clear policies and procedures, including a Code of Conduct, to which each employee personally commits with a signature. We realise that despite this, the risk persists that something may go wrong in practice. SNV regularly commissions internal and external audits and investigations. We also find it important to discuss these types of risks within our organisation.

SNV continued to raise awareness and encourage team members to come forward in case they experience or have witnessed incidents of discrimination or harassment. We consistently applied our Workplace Discrimination and Harassment

policy which is aligned with various donor requirements on prevention and awareness on (sexual) harassment. In 2020, we received four reports of alleged incidents perpetrated by SNV employees and employees of our partners/sub-contractors. In two cases, pre-investigation concluded insufficient grounds to instigate a full investigation while in another, after a full investigation, our partner/sub-contractor reached a mutual separation agreement with the perpetrator. The fourth case is still open. All pending 2019 investigations and three of the four reported incidents in 2020 were closed in 2020. Donors were informed in a timely fashion where relevant.

In 2020, 17 cases of suspected fraud by SNV employees and employees of

We consistently applied our Workplace Discrimination and Harassment policy which is aligned with various donor requirements on prevention and awareness on (sexual) harassment.

partners/subcontractors were reported and investigated. Irregularities included breach of procurement procedures, conflict of interest, theft, misreporting, fraudulent DSA/hotel claims, and embezzlement. All the cases represented limited material value. All pending 2019 investigations and 12 of the 17 new investigations were closed in 2020. Disciplinary measurements (including dismissals) have been taken against involved team members where appropriate. As per SNV's policy, relevant donors were informed in a timely manner.





# Risk management in SNV

SNV has processes in place to identify, evaluate, manage, and mitigate risk across the organisation. Integrity and accountability are at the heart of our work and with clear lines of accountability, the MB and all team members at SNV are responsible for acting responsibly, for spending the funds entrusted to us wisely, and for adhering to safety and security policies and moral and ethical principles.

We operate in a low-margin finance environment which provides us with limited space to take financial risks. In 2019 and 2020, we made important steps forward in managing our financial risks and strengthened our equity position. These put us in a strong position to manage the increased risk levels.

The nature of the risks facing SNV's strategic objectives have not changed substantially, though as a result of the COVID-19 crisis, and increased instability in geographies where we operate, the levels of impact and probability have.

The table below summarises the principal risks and ongoing risk-mitigating measures. The levels of SNV's financial reserves are sufficient to absorb the financial consequences related to the remedial risks after mitigation.

Risk level: ■ Low ■ Medium ■ High

Risk	Mitigating Measures	Risk level
<b>Safety and security of team members</b> SNV operates in high-risk, conflict-sensitive, and fragile areas as this is where many communities we seek to support, live. Political and social unrest can slow down project implementation and put the safety and integrity of our team members at risk. This risk can be partly mitigated by SNV but a residual risk will remain given our mission and related operating environment.	<ul style="list-style-type: none"> <li>Roll-out of the updated Security Policies and procedure. Update all country Security Plans, starting with highest risks countries.</li> <li>Strict application of incident reporting procedure and follow-up.</li> <li>Additional investments in in-country security capacity and global security oversight and coordination.</li> <li>Consistent periodic MB review of security situation in SNV countries.</li> </ul>	<span style="color: red;">■</span> Impact <span style="color: orange;">■</span> Probability <span style="color: orange;">■</span> Risk after mitigation
<b>Inability to implement projects as planned because of unexpected external factors</b> In 2020 we experienced how COVID-19 related lockdowns and restrictive measures could impact our ability to implement projects and budgets as planned leading to a decrease in impact and annual revenues. Similarly, political unrest or safety situations in Sahel and Ethiopia, a.o., limit our ability to implement activities in specific areas of these countries.	<ul style="list-style-type: none"> <li>In 2020 we learnt how to continue implementing meaningful activities "from a distance", changed methods to deliver programmes, including making better use of new technologies. We continue to do so.</li> <li>2020 country and project planning is based on context specific knowledge of government measures and restrictions. In general, COVID related restrictions are expected to be less restrictive.</li> <li>Project design, especially in Sahel countries, takes into account safety and security risks, include alternative (safer) implementation areas and make more use of alternative delivery methods.</li> </ul>	<span style="color: orange;">■</span> Impact <span style="color: red;">■</span> Probability <span style="color: orange;">■</span> Risk after mitigation
<b>Integrity and reputational risks</b> SNV has a zero-tolerance policy related to integrity breaches including sexual abuse, child labour, discrimination on the basis of gender, ethnicity, or sexual orientation. Integrity issues can significantly affect our employees, the partners we work with and the communities we work for, harm our reputation and affect future order intake.	<ul style="list-style-type: none"> <li>Clear rules and strict adherence to the SNV Code of Conduct, to which each employee personally commits with a signature.</li> <li>Policies and procedures on workplace discrimination and harassment, fraud response, whistle-blower, contracting and procurement, HIV/AIDS Workplace, and child protection accompanied by explicit and targeted training and induction.</li> <li>The MB closely approves all policies, supervises their implementation and ensures internal compliance.</li> <li>SNV regularly commissions internal and external audits.</li> </ul>	<span style="color: red;">■</span> Impact <span style="color: green;">■</span> Probability <span style="color: green;">■</span> Risk after mitigation

Risk level: ■ Low ■ Medium ■ High

Risk	Mitigating Measures	Risk level
<b>Decrease in Order Intake volume</b> Due to COVID-19 crisis, budgets for international cooperation of main donor countries might decrease and policy priorities might shift away from SNV sectors, and/or more funding through multi-lateral channels. This may lead to a reduction of new Order Intake (OI) for SNV.	<ul style="list-style-type: none"> <li>Ensuring strong technical and financial proposals.</li> <li>Enhanced account management and pipeline development with priority donors.</li> <li>Periodic review, monitoring, and steering of country/donor/sector projections.</li> <li>New and enhanced partnerships.</li> </ul>	<span style="color: red;">■</span> Impact <span style="color: red;">■</span> Probability <span style="color: orange;">■</span> Risk after mitigation
<b>Overheads not covered by projects</b> Cost control of global and country overhead has been an area of attention for the MB in the past few years. We know these costs well, control and monitor them regularly. SNV is a lean organisation and needs to invest more in areas like safety and security, social safeguarding, and learning and development, which leads to increasing overhead costs which might not be covered by projects.  Another risk is the ability to realise planned billability levels of costs as travel restrictions reduce possibility for f2f back-stopping support in COVID-19 times. Expenditures of individual country offices can diverge from budgets, especially in case they are confronted with unexpected drops in revenue or high back-filling costs.	<ul style="list-style-type: none"> <li>Continue tight monitoring and management of global and country overhead costs.</li> <li>Close monitoring of billability levels and timely adjust budgets if needed.</li> <li>More attention to flexibility of part of the workforce, enabling to better adjust to changes in revenue volumes.</li> <li>Timely prepare possible global cost reduction measures in case 2022 projections indicate overall revenues will decrease.</li> <li>Only with explicit MB approval countries allowing to overrun country overhead budget.</li> </ul>	<span style="color: orange;">■</span> Impact <span style="color: green;">■</span> Probability <span style="color: green;">■</span> Risk after mitigation
<b>Foreign exchange risks and increased financial costs</b> Fluctuation of FX rates of foreign currency can expose SNV to financial losses. SNV has minimised its FX exposures, but will remain somewhat exposed to FX rate fluctuations for thinly traded currencies on its remaining assets in these currencies. The economic crisis caused by the COVID-19 pandemic increases the volatility of FX rates. Negative interest rates risk to increase our financial costs as advances of donors increase and donors do not compensate for this.	<ul style="list-style-type: none"> <li>Continue to manage FX exposures, such as by minimising cash in local currency and hedging hard currency in line with our policy to minimise risk and costs.</li> <li>Maintain cash position as much as possible in the Netherlands.</li> <li>Continue bank rationalisation process and thus reducing our credit exposure on banks.</li> <li>Monitoring cash balances in local currency by Treasury.</li> <li>Minimise advanced payments.</li> </ul>	<span style="color: orange;">■</span> Impact <span style="color: red;">■</span> Probability <span style="color: orange;">■</span> Risk after mitigation
<b>License to operate with changing and more restrictive regulations in countries of operation</b> SNV is duly registered in all countries it operates in. In several countries we see restrictions for INGOs increasing, like difficult to obtain work permits or objections to new projects, changes in taxation, mandatory creation of local entities to be able to operate and others. This implies the risk of increased cost of operation, severe delays in project start-up and in the extreme case, inability to continue operating in country.	<ul style="list-style-type: none"> <li>New Corporate Affairs unit set-up to monitor closely SNV's country registrations, support countries in related matters including legal support and tax compliance further.</li> <li>SNV countries continue to be active members of in-country INGO networks for joined analysis and advocacy.</li> </ul>	<span style="color: orange;">■</span> Impact <span style="color: green;">■</span> Probability <span style="color: green;">■</span> Risk after mitigation
<b>Fraud, bribery, and corruption risks</b> Fraud, bribery, and corruption by SNV team members or contractors can expose SNV to financial losses, fines and sanctions, loss of donors and clients, and reputational damage. The risk of corruption or fraud by team members or contractors is managed closely by SNV by mitigating preventive and detective measures. Strict follow-up, improving our control framework further from lessons learned, and transparent reporting to donors is our key focus.	<ul style="list-style-type: none"> <li>Continued zero tolerance approach to fraud and corruption, including messaging, early detection and follow up.</li> <li>Update of Code of Conduct and accompanying procedures including anti-corruption, fraud whistle-blower, etc. Increased and explicit training and induction for team members.</li> <li>Roll-out new contracting and procurement policies including enhanced Due Diligence process.</li> <li>Internal control framework including segregation of duties to lower opportunity to commit fraud. ERP system supporting control framework.</li> <li>Investigations into irregularities: any suspicion of irregularities reported are investigated and followed up directly.</li> </ul>	<span style="color: orange;">■</span> Impact <span style="color: orange;">■</span> Probability <span style="color: green;">■</span> Risk after mitigation
<b>Team member attraction, retention, and flexibility</b> SNV team members are our main asset and single most important factor for our success. Not being able to attract and retain high quality, high performing, and committed team members negatively impacts our ability to implement our mission, to efficiently and effectively deliver our projects and eventually, to remain a partner of preference for donors, authorities and other partners.	<ul style="list-style-type: none"> <li>Flexible workforce options to quickly and timely respond to changing realities and demands.</li> <li>Carry out salary benchmarking survey to check market competitiveness.</li> <li>Review Terms and Conditions of SNV employees.</li> </ul>	<span style="color: red;">■</span> Impact <span style="color: orange;">■</span> Probability <span style="color: orange;">■</span> Risk after mitigation

# 2020 Financial performance highlights

## Income from project funding

In 2020, our consolidated income was €120M, below our original annual target of €141M, and slightly below our revised budget of €122.5M (mid-2020 SNV decided to amend its annual budget in response to COVID-19 crisis). This is a 16% year-on-year decline in our income compared to the €142.3M recorded in 2019. SNV's project revenues for each year depend on several factors, including (i) the size of our portfolio, (ii) the average project duration, and (iii) the speed of implementation. During 2020, the COVID crisis impacted SNV's revenues mainly through decreased project implementation speed, resulting in time extensions for multiple contracts and thus increased average project duration. Our revenues in 2022 and onwards can still be further impacted from reduced order intake, resulting from a changing donor priorities and re-sizing of budgets for international cooperation. Despite this, our implementation capacity (observed via growing volumes up to 2019) and team members levels remain in place.

## Financial results

SNV realised a consolidated net result of €3.6M in 2020. This is a result of a combination of structural improvement measures taken over the last years to reach sustainable break-even, and a number of specific actions taken in 2020 to mitigate the financial impact of the COVID-19 crisis. The structural long-term improvements influencing the positive 2020 financial results include (1) the continuation of regular hard-close exercises improving the quality of our figures and the control of our balance sheet position, (2) solid annual planning and reporting cycle, (3) strengthened project and business control, and (4) enhanced control on our FX and cash management. Other shorter-term variables that influenced our positive result achieved in 2020 are (1) a lower-than-expected level of write offs and provisions on project balances (in part due to continuous focus on our accounts receivable), (2) the quick response to COVID-19 via overhead cost control, and (3) a resilient financial contribution from our project base despite marked reductions in programme activities.

## Balance sheet and SNV's equity position

With the positive net result achieved, SNV's balance sheet remains strong with an equity position of €42M versus €38.8M per year end 2019. SNV's free reserves grew from €6.6M in 2019 to €10M in 2020, improving our capacity to absorb possible losses in the coming years. Continuity reserves remain at € 25M, as set by the Supervisory Board in 2019, while destination reserves dropped €0.3M from €7.2M in 2019 to €6.9M in 2020, due to planned investments to strengthen the organisation.

The total cash position at year-end was €126M and our working capital €44M. This is well within the financial steering indicators determined by the Managing Board. Compared to December 2019 the cash and bank position improved by €33M and the working capital (current assets minus current liabilities) by €5.1M.





## Outlook financial performance

Our Strategic Plan 2019-2022 projected a growth of revenues to €150M by 2022, enabling us to positively impact the lives of 5 million people. We were well on track of meeting this target but due to the impact of the COVID-19 pandemic in 2020, we were unable to continue the growth observed in previous years. The uncertainties brought by the crisis motivated an increased emphasis in strengthening our financial position during 2020, and despite the external headwinds we achieved a positive financial result by the end of the year. Nevertheless, the drop in our project expenditure was significant and is expected to persist over at least part of 2021.

The COVID-19 crisis has a significant effect on SNV's ability to implement all planned activities in-country to improve livelihoods and access to basic services. The effects range from very immediate (as most of our team members moved to remote working arrangements and our programme activities were severely limited), to medium term (as the donor landscape we operate in is structurally changing). In the short term, we continue to monitor closely the speed at which project activities resume a normal pace, looking for alternatives to deliver these activities in compliance with governments' guidelines, and constantly adapting project plans to the changing environment. In the longer term our biggest uncertainty is whether the impact of the crisis on ODA will result in reduced project budgets, a drop in our order intake, and structurally lower revenues and impact achieved from our project portfolio. In line with these trends, we expect revenues growing to around €134M in 2021 and reaching or surpassing €140M in the following years, contingent to developments in our order intake.

Our measures to mitigate the effects of COVID on our financial outlook include investing in positioning SNV in a post-COVID-19 world through adjustment and/or expansion of our sectors, donors, partnerships and services and continuous strengthening of our operations and finance controls. SNV's solid liquidity position and reserves, allow to further explore opportunities to invest towards enabling greater impact.

# Governance

The Managing Board (MB) manages SNV under the supervision of a Supervisory Board (SB). The SB consists of a chair, a vice-chair and four regular members. The members have complementary professional backgrounds in the public and private sector. Combined they have extensive experience and expertise covering international development, human resources, project management, public administration, sustainability, research, governance, finance, auditing, and marketing.

In 2020, we bid farewell to Mirjam van Reisen and Ronald de Jong after eight years on the SB and the Selection and Remuneration Committee (SRC). In those eight years, they made a tremendous contribution to SNV. We welcomed three new members in 2020: Irene Nijboer, Stendert Krommendam, and Joyeeta Gupta.

SNV's supervisory structure complies with Dutch and international standards of good governance. At the end of 2020, three members of the SB hold seats on the Audit and Risk Committee (ARC). This committee monitors finance, IT, risk, and compliance and advises the SB on finance, control, and risk management issues. The Selection and Remuneration Committee (SRC) is responsible for recommendations to the entire SB regarding the appointment, evaluation and remuneration of the Chief Executive Officer (CEO) and other MB members. The chair of the SB is not a formal member of any of the SB's committees but has a standing invitation to attend any of the Committee's meetings.

In 2020, the Supervisory Board met five times in plenary sessions, with sub-committees such as the Audit & Risk Committee, and the Selection & Remuneration Committee meeting more frequently between full SB meetings.

The external auditor, BDO, reports annually to the SB. The SB endorsed a 3-year extension of the contract with BDO.

## Members of Managing Board



**Simon O'Connell**

**Chief Executive Officer**

(December 2020 – present)

**Other activities\*:**

none



**Hans Heijdra**

**Managing Director Business/CFO**

(July 2020 – present)

**Managing Director Operations/CFO**

(November 2018 – July 2020)

**Other activities\*:**

Vice-Chair and Secretary of the Board, Stichting AgriProfocus (until December 2020)



**Megan Ritchie**

**Managing Director Countries,**

also responsible for Sector Water, Sanitation & Hygiene (July 2020 – present)

**Managing Director Water, Sanitation & Hygiene / East and Southern Africa**

(from April 2013 – July 2020)

**Chief Executive Officer a.i.**

(from October 2020 – December 2020)

**Other activities\*:**

Board Member, Stepping Stone Liberia



**Andre de Jager**

**Managing Director Sectors**

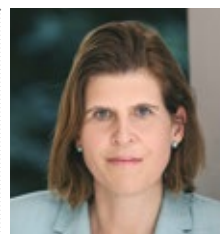
(July 2020 – present)

**Managing Director Agriculture / West and Central Africa**

(April 2017 – July 2020)

**Other activities\*:**

none



**Meike van Ginneken**

**Chief Executive Officer**

(January 2018 – October 2020)

**Chairman of the Board of SNV USA**

(until May 2020)

**Other activities\*:**

- Member of the board of PARTOS, (April 2020 – October 2020)
- Chair of the Steering Committee of the Netherlands Food Partnership (until October 2020)



**Tom Derksen**

**Managing Director Energy / Asia and Latin America**

(April 2017 – July 2020)

*Retired September 2020*

**Other activities\*:**

none

\* All other activities are unpaid



## Members of the Supervisory Board



**Koos Richelle**

**Chair of the Supervisory Board**

(SB term: October 2015 – October 2023)

### Background

Ex-Director-General for departments for International Cooperation in the Dutch Ministry of Foreign Affairs, as well as in the European Commission. He presently serves in a number of non-executive boards of non-profit organisations, being the deputy-chair of the supervisory board of ECDPM and the chair of the governing board of IHE-Delft. He is also a member of the Advisory Council on International Affairs and the chair of its Commission on Development Cooperation.



**William van Niekerk**

**Vice-Chair of the Supervisory Board**

**Member of the Audit and Risk Committee**

(SB term: October 2015 – October 2023)

### Background

Partner Beaufort Corporate Consulting & Interim Management, Chairman Supervisory Board VORM Holding, Chairman of the Netherlands Hydrogen & Fuel Cell Association NWBA, Former CEO and Board member in the Water, Energy and Construction sector.



**Miriam Hamers-Bodifée**

**Chair of the Audit and Risk Committee**

(SB term: September 2019 – September 2023)

### Background

Audit Partner of KPMG.



**Irene Nijboer**

**Member of the Audit and Risk Committee**

(SB term: January 2020 – January 2024)

### Background

Consultant ABDTOP Consult Ministry of the Interior and Kingdom Relations, Managing Director Legal Aid Board.

**Stendert Krommendam**

**Member of the Selection and Remuneration Committee**

(SB term: October 2020 – October 2024)

**Background**

Group HR Director for Wessanen.

**Joyeeta Gupta**

**Member of the Selection and Remuneration Committee**

(from March 2021)

(SB term: December 2020 – December 2024)

**Background**

Professor of environment and development in the global south at the Amsterdam Institute for Social Science Research of the University of Amsterdam and IHE Delft Institute for Water Education.

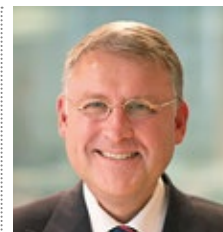
**Mirjam van Reisen**

**Member of the Selection and Remuneration Committee**

(SB term: April 2012 – October 2020)

**Background**

Professor International Relations, Innovation and Care at Tilburg University, Professor Computing for Society at Leiden University, Director of Europe External Policy Advisors in Brussels, Member of the Dutch Government Council on Foreign Affairs and Chair of its Committee on Development Cooperation.

**Ronald de Jong**

**Member of the Selection and Remuneration Committee**

(SB term: July 2012 – October 2020)

**Background**

Chairman of the Philips Foundation Distinguished Professor of Practice, Tilburg University.





## Colophon

### Concept and design

Haagsblauw

### Text

SNV Netherlands Development Organisation

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