



## Climate and Business



SNV uses its extensive experience in business and market development to drive change in regions most vulnerable to climate change, creating benefits for people living in poverty, businesses and the environment.

### The challenge

Climate change is undermining all aspects of food security and sustainable development, threatening to erode and reverse gains made in ending hunger and malnutrition. At the same time, food production needs to grow to feed the growing population. Increasing production through unsustainable methods will increase deforestation, greenhouse gas emissions and environmental degradation. The necessary response and transformation within the agricultural sector is not happening. As public funds are insufficient, there is an urgent need to catalyse private sector expertise, its innovation capacity and financial leverage.

### The opportunity

Applying climate smart agricultural practices reduces the risks from climate change and lowers greenhouse gas emissions while increasing productivity and incomes. Currently, most businesses do not fully understand their exposure to climate change or recognise the growing business opportunities in climate action. Changing agro-businesses' behaviour is pivotal to shift food systems to sustainable practices and realise climate change adaptation and mitigation in agriculture.

## Our approach

**SNV has worked effectively with over 300 companies in 33 countries across Africa, Asia and Latin America.**

We initiate, implement, finance and scale, inclusive business models. With the Climate and Business product we create lasting change, transforming (sub) sectors from business as usual, to delivering climate smart agricultural and energy solutions at scale.

We achieve this by kick-starting markets, leveraging finance for scale, while changing company's awareness and behaviour. In addition to direct investments in high impact adaptation sectors, we stimulate services pivotal to transforming supply chains. In particular, we target financial, aggregator, climate information and energy services. We also work with authorities to support the development of a conducive policy environment.

**Our product focuses on four key result areas. Our interventions are specifically designed to address impacts on gender equality, nutrition and youth.**

### Result area 1. Climate smart market development

We support the **transformation of markets**, in order to deliver the transition towards inclusive and climate smart development. We provide the following services:

1. Undertaking climate, market and business diagnostics to understand the barriers and opportunities for the development of climate smart technologies and services;
2. Facilitating business linkages through the establishment of multi-stakeholder processes;
3. Strengthening the capacity of local service providers to provide key

supply chain services, through incubators, accelerators and general business support services;

4. Stimulating increased productivity and added value through results-based financing, tracked to climate indicators.

In the Mangroves and Markets project we have worked with companies, the local authorities and producers to kick-start the market for sustainable integrated mangrove-shrimp production along the vulnerable coast.

### Result area 2: Shifting business operations towards climate smart practices

We build awareness and support companies and small-holder farmers to **change their behaviour to introduce more climate smart practices**. We do this by providing the following services:

1. Applying tailored tools and guidance to generate relevant climate information to heighten businesses awareness;
2. Screening of prospective business propositions against market, climate, energy, gender and scaling criteria; as well as due diligence;
3. Business planning and management support to structure climate smart

In the Climate Resilient Agribusiness for Tomorrow project, we work with research institutions to understand climate change impacts on vulnerable sectors. This information is used to raise awareness with financial institutions and agri-businesses about the risks they are facing and steps they can take to adapt.

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## Result Area 1

Climate smart market development

## Result Area 2

Shifting business operations towards climate smart practices

## Result Area 3

Leveraging finance for scale

## Result Area 4

Supportive enabling environment

nutrition | gender | youth

## The SNV Climate and Business product - result areas and services

business cases;

4. Technical assistance to introduce climate smart solutions.

### Result area 3: Leveraging finance for scale

We help companies to **scale their inclusive, climate smart, business ambitions** by helping them to access financing. In particular we do this by:

1. Assisting companies to develop climate smart business plans and broker partnerships for financing;
2. Working with local financial institutions to develop climate smart financial products;
3. De-risking investments, and reduce transaction costs, for financial institutions; e.g. by increasing productivity of farmers and introducing off-take guarantees;
4. Supporting the development of climate smart business pipeline for targeted investment funds.

Under the Dutch Fund for Climate and Development, we support the development of climate smart business pipeline for targeted investment funds.

### Result area 4: Supportive enabling environment

We support the development of **a more conducive enabling environment** for climate smart businesses to thrive. We do so by:

1. Building on local knowledge, we carry out studies to identify, analyse and build consensus on solutions and 'triggers' for paradigm shifts towards climate smart agriculture;
2. Engage authorities to influence policy, including fiscal measures or budgetary allocations, to encourage this shift;
3. Engaging with and supporting national authorities on their Nationally Determined Contributions - in particular with regards to private sector engagement and mobilisation.

In the Full Sun to Shaded Cocoa Agro-Forestry Systems project in Ghana we work with local authorities and chiefs to develop land use plans, conducive to deforestation free, agro-forestry cocoa production systems around Bia National Park.

## Our experience

[Dutch Fund for Climate and Development - DFCD | multi-country | 2019-2023 | Netherlands Ministry of Foreign Affairs | €160 million](#)  
Implemented by FMO Dutch development bank(lead), SNV, WWF and Climate Fund Managers, the DFCD will mobilise €500 million in private sector investments for climate adaptation. The partnership connects SNV's and WWF's project development expertise with FMO's and CFM's mobilising and investment power. This partnership will graduate business cases from idea to full implementation, using life-cycle financing.



[Climate Resilient Agri-business For Tomorrow - CRAFT | multi-country | 2018-2022 | Netherlands Ministry of Foreign Affairs | €39.5 million](#)  
The CRAFT project supports the large-scale adoption of climate smart practices including clean energy solutions by agribusinesses across Kenya, Uganda and Tanzania to improve productivity of 300,000 farmers. The project is implemented by SNV (lead) with WUR, CGIAR-CCAFS, Agriterro, and Rabo Partnerships.



[Mobile data for pastoralists in West Africa - STAMP and MODHEM | Mali and Burkina Faso | 2014-2021 | Netherlands Space Office and Netherlands Ministry for Foreign Affairs | €11.1 million](#)  
Together with the private sector, SNV has developed the Garbal service. Using satellite data, Garbal provides pastoralists with reliable information on biomass and water availability, market prices along transhumance routes. The service has been accessed by over 200,000 pastoralists. Plans to launch Garbal in additional countries are in development.



[Mangroves and Markets project - MAM phase I&II | Vietnam | 2016 - 2020 | German Ministry for the Environment \(BMU\) | € 3.3 million](#)  
Shrimp farming in Vietnam has caused the loss of mangrove forests in Southern Vietnam. SNV works with processing companies in the region to establish eco-certified shrimp supply chains, which increase farmer incomes and protect local mangrove forests. To date the project has trained 5,500 farmers, protected 12,600 hectares and replanted 80 hectares of mangrove forest.



[AgResults Vietnam Emissions Reduction Pilot - AVERP | Vietnam | 2016-2021 | Agresults donor consortium | €1.7 million](#)

The project is developing, testing and scaling innovative technologies, and approaches to reducing greenhouse gas emissions in the rice sector. It also contributes towards reducing poverty, protecting the environment and building farmer's resilience to climate change. Using a prize contest format, companies are challenged to test, prove and scale their climate smart technologies.

