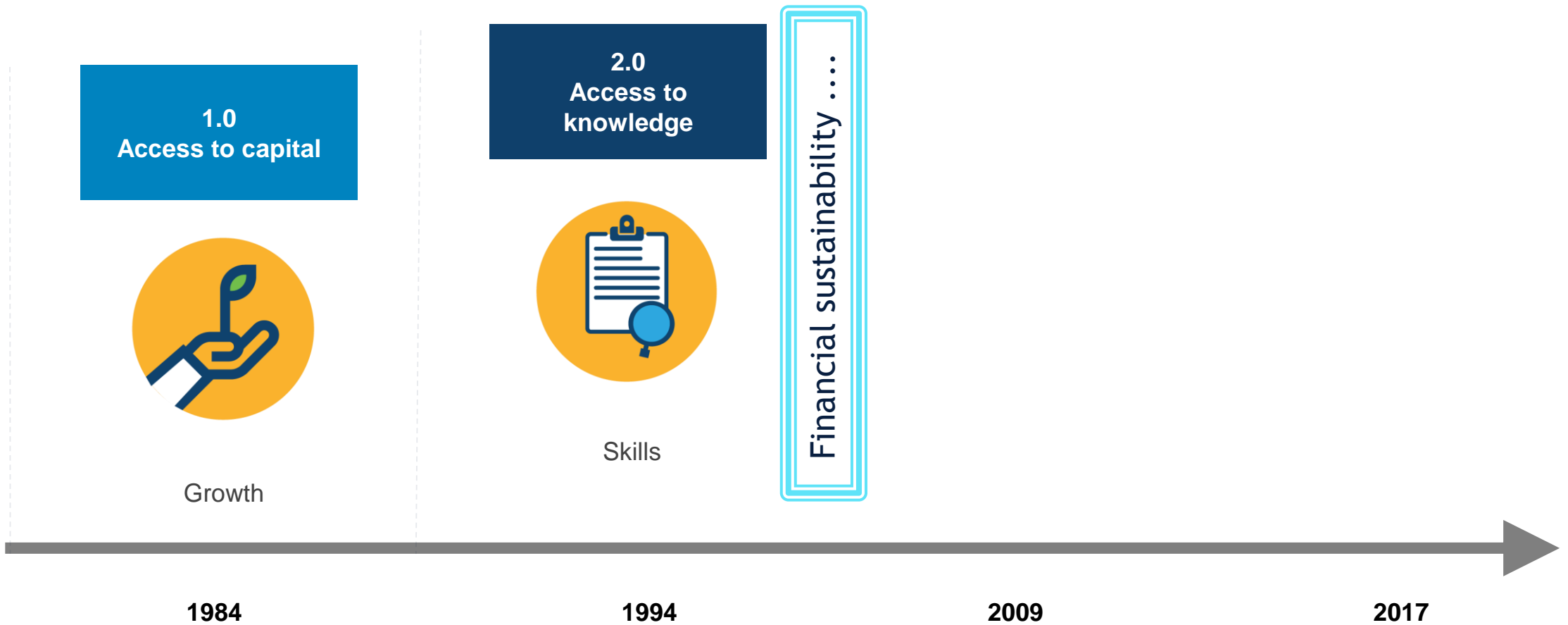


# FUNDES

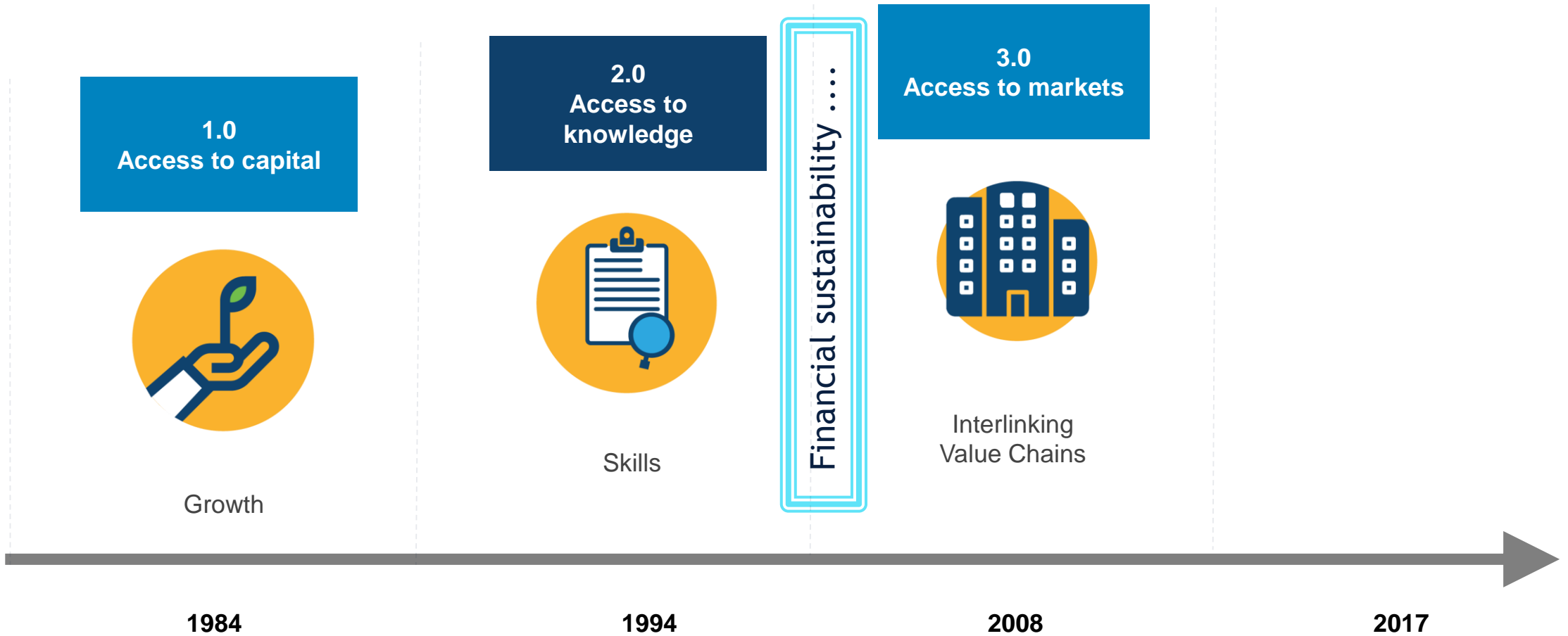
LATINOAMÉRICA

Inspiring investment partnerships to achieve global goals  
SIX Convention Point, Zurich  
16.01.2018

# Where we come from...



# Where we come from...



# Pricing becomes a major issue...



Some of the projects not being bought/renewed for cost reasons in 2017:



Bayer



Credicomer



Disal



Cervecería Nacional  
- Ecuador



Kimberly-Clark



Coca Cola Femsá



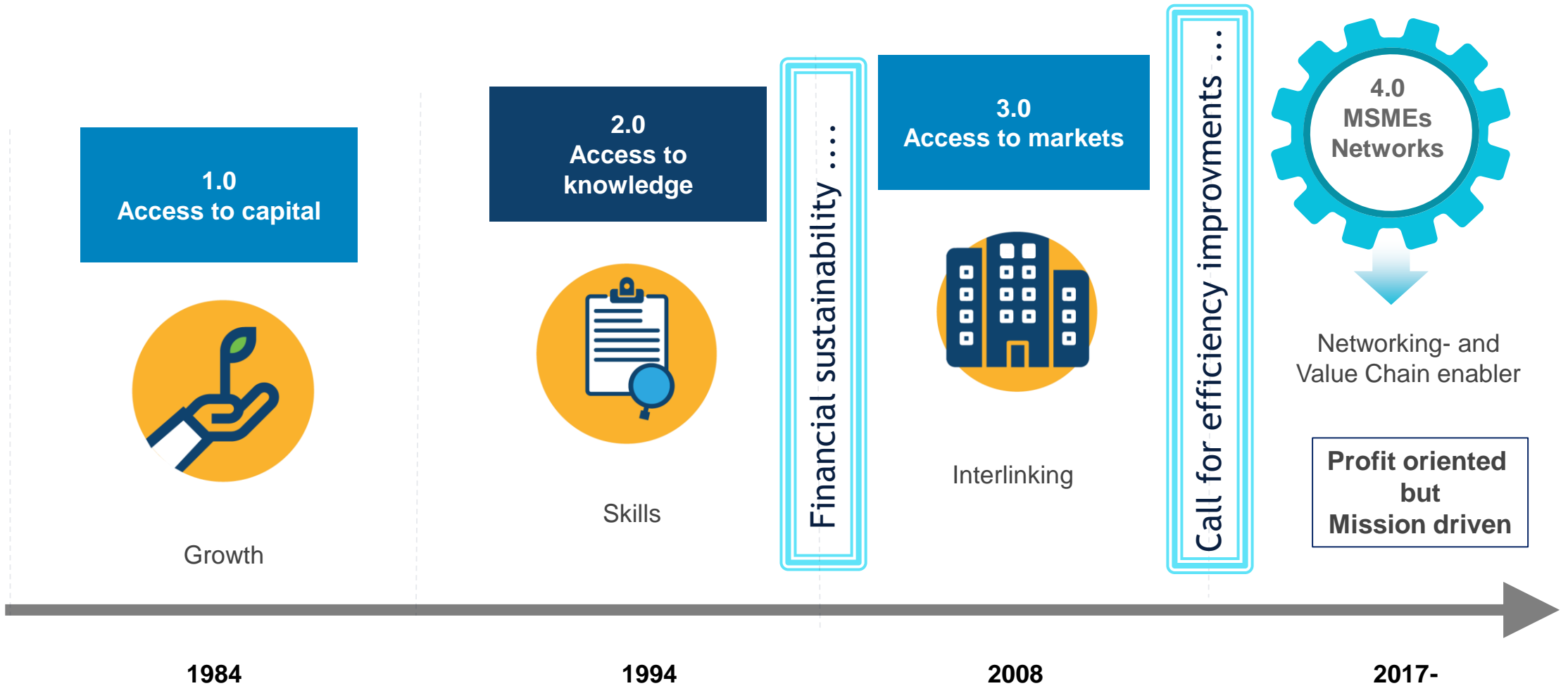
BAC Credomatic



Economic Development Board  
Bogotá



# Where we come from...what's next...



# PARTNERSHIP STRATEGY - 3 PILARS

## 1. FUNDING

PROJECT  
Partners

INVESTORS  
Partners

SPONSORING  
Partners

## 2. KNOW HOW

EXPERTISE SHARING  
Partners

TECHNOLOGY  
Partners

STRATEGIC  
ADVISORY Partners

RESEARCH  
partners

## 3. BRANDING

POSITIONING  
Partners

CERTIFICATION  
Partners

NETWORK  
Partners



# EVALUATION CRITERIA

Our evaluation and prioritization of potential partners included the following criteria:



- 1 VALUE FOR FUNDES**  
Fill a strategic need? Performance of the partner?
- 2 VALUE FOR THE PARTNER**  
Aligned with FUNDES? Fill a strategic need?
- 3 CONDITIONS FOR THE PARTNERSHIP**  
Bargaining power? Investment needed? Pilot?
- 4 PARTNERSHIP FEASIBILITY**  
Complementary cultures? Contact quality? Location?
- 5 PARTNERSHIP POTENTIAL**  
Time? Risk? Potential evolution?
- 6 RANKING**  
Red, orange and green light

# EVALUATION MATRIX

Evaluation & Prioritization			1						2						3						4					
			Value for Fundes						Value to the Partner						Condition of the Partnership						Partnership feasibility					
			Fill a top strategic goal		Fill a strategic need		Performance of the Partner		Interest for our mission/sector		Fill a core strategic goal		Fill a strategic need		Type of relation bargaining power		Possible Pilot Project?		Strong Investment needed		Org cultures Complementarity		Contact quality		Partner Location	
			Detail	Light	Detail	Light	Detail	Light	Detail	Light	Detail	Light	Detail	Light	Detail	Light	Detail	Light	Detail	Light	Detail	Light	Detail	Light	Detail	Light
Strategy Consulting	BSD	Increase Sales	●	better sale & Prospect/ Share Customers	●	Offices Worldwide and Top Clients	●	Specialized in Sustainability and SSCM	●	Market Access	●	Not sure if they really need our LA market access	●	It depends at what extent BSD does what we do	●	Depending on the type of project we build	?	Not necessarily	●	Not enough information	?	No contact	●	Switzerland Latin America		
Strategy Consulting	Hystra	Increase Sales	●	better sale & Prospect/ Share Customers	●	Top Clients Talents and Publications	●	Establish Value Chain and Cluster strategy	●	Market access, Increase Sales	●	Market access to Latin America	●	Win - Win (Share Clients and market access)	●	Depending on the type of project we build	?	Not necessarily (probably if research projects, events)	●	Not enough information	?	2 good contacts, one within Fundes advisors	●	France, Corentin Co first meet th		
Strategy and Policy Consulting	Dalberg	Increase Sales	●	Better sale & prospect/Share Customers	●	Offices Worldwide and Top Clients (Governments, MNCs)	●	Dalberg already developed value chain projects	●	Dalberg mostly focuses on the public sector	●	Dalberg is not implemented in LA and should not change in the short term	●	It depends on Dalberg's corporation portfolio.	●	Depending on the type of project we build	?	Not necessarily	●	Not enough information	?	One contact but for Africa	●	Switzerland no LA		
Strategy Consulting	ESW (Enterprise for a Sustainable World)	Increase Sales	●	Better sale & prospect/Share Customers	●	Co-founded by Stuart Hart (Top BoP Scholar) but not so many	●	Co-founded by Stuart Hart (Top BoP Scholar)	●	Market access, Increase Sales and field experience	●	Market access - Local Local partner for implementation	●	Win - Win (Share Clients and market access) - Local Partner for implementation	●	Depending on the type of project we build	?	Not necessarily (probably if research projects, events etc.)	●	Company built by the founder of the BoP literature and Non-Profit	●	Urs Jäger know Stuart Hart	●	USA		
Strategy and policy Consulting	Endeva	Increase Sales	●	Better sale & prospect/Share Customers	●	Top Clients, Partners Talents and Publications	●	Inclusive Business Development, Reports on Value Chain Development	●	Market access, Increase Sales and field experience	●	Market access to Latin America - Local Partner for implementation	●	Win - Win (Share Clients and market access) - Local Partner for implementation	●	Depending on the type of project we build	?	Not necessarily (probably if research projects, events etc.)	●	Not enough information	?	No contact	●	Germany		
Strategy Consulting	Fetola	Innovation	●	Business intelligence (Tools, Methods) and Innovations (IT)	●	Top Client, diversified activities, innovative	●	Value chain and SME specialist	●	No strategic goal identified	●	Innovation and expertise strengthening	●	Win - Win (Share knowhow, methods, innovations)	●	Probably	●	If innovations or development of methodology, investment	●	Not enough information	?	Contact	●	South Africa		
Strategy and policy Consulting	Ashley Insights	Increase Sales	●	Knowledge on inclusive business and Impact measurement	●	Caroline Ashley was director at DFID and has a broad network Development	●	Expert in sustainability and inclusive business	●	Market access, Increase Sales and field experience	●	Market access to Latin America but not sure it is a need	●	Win - Win (Share Clients and market access) - Local Partner for implementation	●	Depending on the type of project we build	?	Not necessarily	●	Not enough information	?	No contact	●	UK		
Situation																										

Alianzas E & O

Evaluation criteria

Alianzas por prioridad

Pipeline



# RESULTS

## FUNDING

### PROJECT Partners

- Leopold Bachman Foundation: *Eco-Bodegas – Peru, Colombia*
- Argidius Foundation: *Discussion Salones de belleza – Central America*
- GIZ: *Inclusive logistic value chain*

### INVESTORS Partners

- Elea Foundation: *FUNDES 4.0*
- Leopold Bachman Foundation: *FUNDES 4.0*

## KNOWHOW

### RESEARCH Partners

- Endeava: *Tech solutions in inclusive value chains*
- GIZ: *Guide for inclusive value chains for supermarkets*

### EXPERTISE SHARING Partners

- VIVA : *FUNDES Strategy - Strategic value chain workshop*

### STRATEGIC ADVISORY Partners

- Coca Cola FEMSA: *New Strategy Traditional Retail*

## BRANDING

### POSITIONING Partners

- Business Fights Poverty: *Inclusive distribution networks – discussion paper*
- ENDEVA

### CERTIFICATION Partners

- Great Place to Work: *Human resources certification*

### NETWORK Partners

- UBS/CS Sustainable finance



# 4e CAMINO AL PROGRESO

6 COUNTRIES



## OPPORTUNITY

Mom & Pop Shops represent **80% of the total sales volume** of SABMiller in Latin America and **95% of the beers sold** in Colombia

## OBJECTIVES

1. Strengthen SAB Miller's distribution chain in LatAm
2. Improve the quality of life of Mom and Pops and their families, as well as the well being of their communities.

## PROJECTS

### Business Component (12-16 weeks)

1. Diagnosis
2. Business and Technical capacity training
3. Personal follow up in the field

### Leadership Component 12-16 weeks:

1. Leadership training to owners
2. Support in identifying community initiatives
3. Support in implementing initiatives

## RESULTS

- ➡ 20'000 Mom & Pop Shops in Latin America
- ➡ 8'500 in Colombia

### For SAB Miller

- ✓ Sales increase: 10%
- ✓ Mom & Pop's Loyalty: strengthened relation
- ✓ Image & Reputation

### For Mom & Pops

- ✓ Sales increase: 17%
- ✓ Margin increase: 2%
- ✓ Sustainable leadership **Initiatives for the community** (Insecurity, Waste, Education, etc.)





# INCLUSIVE RECYCLING

ECUADOR

## OPPORTUNITY

Due to the scarcity of steel resources in America Latina, importance of the recycled scrap metal value chain.

## OBJECTIVES

1. Increase suppliers' competitiveness, production and loyalty
2. Comply with local regulations regarding labour and physical safety

## PROJECTS

### Implementation of a supplier management system

1. Purchase Policy – Simple clear and strict
2. Payment Policy – Attractive and flexible
3. Information management and evaluation
4. Capacity building and support to formalization
5. Incentives Policy
6. Training of Adelca's purchasing team

## RESULTS

- ➡ 42 collection centres in Ecuador
- ➡ 8'500 in Colombia

### For Adelca

- ✓ **Increase: in scrap metal produced 24%**
- ✓ Reduction in production loss
- ✓ Scrap metal quality improvement
- ✓ Fidelization

### For Mom & Pops

- ✓ Increase in Sales
- ✓ Increase in margins
- ✓ Professionalization



# MILK SUPPLIERS DEVELOPMENT

## COLOMBIA

### OPPORTUNITY

La Macarena is a region historically affected by illegal armed groups and illicit crops. It hosts the National Policy for Territorial Consolidation and Reconstruction.

### OBJECTIVE

1. Strengthen and develop 5 associations of milk producers, to promote their competitiveness
2. **Increase the volume the quality, and the safety** of the milk sold to Alquería.

### PROJECTS

1. Diagnostic of associations' activity
2. Business trainings on association governance and management and accounting.
3. Technical trainings on productive techniques and diseases eradication and prevention
4. Personal consulting to implement of best practices

### RESULTS

- ➡ **5 milk Colombian milk associations**
- ➡ **275 association members**

#### For the associations

- ✓ **Commercialization of 4'059 liters of milk per month**
- ✓ **Increase in milk quality**
- ✓ Improvement in management and accounting
- ✓ Integration of milk production as a tool for **community and family development**



# KEY LEARNINGS...

- Be truthful to you mission/purpose...do not join every fad on your way!
- It was never a question of «if» but rather of «with whom» and «how fast»
- Good partnerships are top driven and generally long term
- Interdependencies have increased - gain trust is key
- Aiming at being less bad is not good enough...the winner takes it all!
- Private capital is (for FUNDES) the only way forward to reach our goals
- Pilot with early adopters, then improve, replicate and scale,scale,scale...
- Define indicators, quantify, measure and then communicate
- Not all goals are shared, some are complementary (...some not!)
- The need for standardization and best practices
- It's still a poeple's business and joint successes are more fun...



# FUNDES

## LATINOAMÉRICA



fundes



fundes



fundesdice



fundes.org



internacional@fundes.org

México – Guatemala – El Salvador – Honduras – Nicaragua – **Costa Rica** – Panamá – Colombia – Venezuela – Ecuador – Perú – Bolivia – Brasil – Chile - Argentina