Finding commercial finance

Ian Price
Triodos Bank
Senior Relationship Manager
Farming Food & Trade Team
Edible Assets
14 September 2010
Who are we?

• Formed in 1968 in the Netherlands to use money in a socially conscious way. We only lend money that we have deposited with us to projects that make a positive difference to society/the environment

• We are completely transparent, a list of all projects we lend to is published and available online

• Funds entrusted to the Triodos Group grew by 30%, to EUR 4.9 billion. Customer numbers increased to 242,000

• Lending, exclusively to sustainable organisations, was up by 31% to EUR 1.7 billion
Finding commercial finance

• What work are we doing in food sector

• Farming £40m, £10m Food and £10m ‘Eco’
• Projects – Farming 200, Food 40 & ‘Eco’ 40
• Risk – Food has been highest and time consuming
• Income – mixed but management costs in food high
• ‘Fit’ – farming and ‘Eco’ much easier
• Prized names – Unicorn, Fordhall, RCHQ & 5penny farm
Finding commercial finance

- Insights into current/future “financial situations”
  - Credit Crunch, Basle 2/3 and income
  - Unlikely ‘clearers’ will see food as ‘sustainable’
  - New V Existing – setting up will become even harder
  - Government intervention – EFG, Green Bank
  - Growth of ethical sector
  - There is light at end of the tunnel
Finding Commercial Finance

- Insights – what is the solution?
- Growth – 1 co worker & £3m to 4 co workers and £60m+
- Challenges – what is sustainable both from the financial and ethos (Catering Mark V SRA) aspects
- Continue work with partners – collaboration, enable and partnership
- Challenging establishment
- Using money for positive change – arable incentive and possibly Silver to Gold incentive
- Understand new sectors and structures
Finding Commercial Finance

• Clearing Banks will not have the answers and will be ‘bit players’ (potentially dangerous players)
• Basle will change banks activities forever – security, gearing, return – impact of management costs, risk (low) management and possibly sector policies
• Community and people will have to find the solutions
• Projects will have to be smarter and very well organised
• Mentors and/or “fix its”
• Owning land and growing food
Triodos Bank NV (incorporated under the laws of the Netherlands with limited liability, registered in England and Wales BR3012).

Authorised by the Dutch Central Bank (DNB) and regulated by the Financial Services Authority (FSA) for the conduct of UK business.

Registered office: Brunel House, 11 The Promenade, Bristol BS8 3NN