

ANNUAL REPORT

2021

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GLOSSARY

ACTES Foundation:	Foundation created by SIDI that is dedicated to supporting an economic, ecological and social transition
AFD:	Agence Française de Développement
CCFD-Terre Solidaire:	Comité Catholique contre la Faim et pour le Développement – Terre Solidaire
DRC:	Democratic Republic of the Congo
FEFISOL:	Fonds Européen de Financement Solidaire pour l'Afrique
FIFAD:	Finance Inclusive pour des Filières Agricoles Durables
HDI:	Human Development Index
MFI:	Microfinance Institution
• Large MFIs:	MFIs with assets over \$ 50 million
• Medium-sized MFIs:	MFIs with assets between \$ 5 and \$ 50 million
• Small MFIs:	MFIs with assets of less than \$ 5 million
KE € :	Thousands of euros
Muso:	«Mutuelle de solidarité», Mutualist financial structure
NGO:	Non-Governmental Organization
No:	Number
PO:	Producers' Organization
SME:	Small and Medium Enterprises
SEP:	Social and Environmental Performance
SSNUP:	Smallholder Safety Net Upscaling Programme
SPI4:	Social Performance Indicators 4
TA:	Technical Assistance
TAPSA:	Transition vers une Agroécologie Paysanne au service de la Souveraineté Alimentaire
VSE:	Very Small Enterprises

2021 ANNUAL REPORT

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Dear friends,
Dear social shareholders,

Throughout 2021, the Covid 19 pandemic continued to have massive repercussions on SIDI's partner organizations, both in terms of the health of members or staff, and the deployment of operations.

SIDI nonetheless managed to stay present and consolidate its partnerships during the year, learning to maintain relationships at a distance, and finding ways to cover new risks that have emerged as a result of the pandemic and the inherent vulnerability of many of these organizations. We've seen stimulating signs of recovery after this pernicious period.

During the ten years of its mandate, and in accordance with its statutes, the European Fund for Solidarity Financing for Africa (FEFISOL) has demonstrated its power to leverage and amplify SIDI's direct action across Africa, where the demand for financial services is most intense. This observation led SIDI to build the new FEFISOL 2 fund. FEFISOL 2 is made possible thanks to the trust of institutional investors; SIDI would not have been able to work as extensively in Africa without your contributions as committed shareholders.

As SIDI approaches its 40th anniversary of working in solidarity with local actors committed to social change, I would like to thank you all for your trust. Since 2015, I have taken on the task entrusted to me of leading SIDI's mission: another person will speak to you next year and present to you the new challenges set out in the strategic plan for the upcoming period.

The Ecological and Social Transition will remain at the center of what we do, as a response to the challenges that our partners share with the entire chain of financial solidarity that SIDI leads. May it continue to have a long life thanks to your support!



Dominique Lesaffre
Chief Executive Officer

SIDI: a patient, supportive investor

SIDI is a social investor created in 1983 by CCFD-Terre Solidaire, whose mission is to promote the financial and economic inclusion of populations excluded from traditional financial systems, mainly in rural areas.

To do this, it provides local players, such as microfinance institutions and producer organizations, with suitable financing (sustainable equity investments, loans in local currency, guarantees) and tailor-made support in order to support their consolidation. Today, SIDI supports 144 partners in 36 countries

Since 2017, SIDI has adopted the Ecological and Social Transition as the central approach of its action. It promotes the use of finance as a tool of holistic, socially just and ecologically sustainable development, based on the values of solidarity, ethics and transparency.

SIDI's more than 2,000 shareholders, individuals and institutions, provide it with the means to pursue its mission and expect exclusively human, social and environmental added value in exchange.



A pioneer in solidarity-based finance in France, SIDI is certified as a social enterprise, under the legal status *Entreprise Solidaire d'Utilité Sociale*.



SIDI's capital shares have also been certified by Finansol/FAIR since 1997.



36 countries



€34.6 million
invested
(as of 31 Dec. 2021)



2,352 days
dedicated to partners



7.2 million
end beneficiaries



€34 million
share capital

2,078 shareholders
(of which 1,955 individuals and
123 institutional investors)
and near **3,500**
solidarity savers



2021 Highlights

ECAM, an Ivorian cocoa producers' cooperative and SIDI partner, won the International Prize at the 12th edition of the *Grands Prix de la Finance Solidaire* organized by FAIR-Finansol and Le Monde. It was a well-deserved reward for this cooperative which is exemplary in terms of its social and environmental impact. ECAM brings together 2,466 cocoa farmers, of which 367 women. SIDI wishes ECAM great success and will continue to work at its side to support cocoa production that respects producers and the environment.



Taking stock of SIDI's 2017-2021 strategic plan: The SIDI team and governance carried out an in-depth review of the strategic plan, which included a partner survey. The review took place at the «*Campus de la Transition*», an ecovillage for teaching, research and experimentation created in 2018 to promote an ecological, economic and humanist transition. The analysis was shared with SIDI's governance bodies, who validated the conclusions.

2021 is FEFISOL's closing year. Co-founded in 2011 by a SIDI-led consortium and managed by SIDI, FEFISOL was the first European investment fund to focus exclusively on rural microfinance in Africa. The Fund has closed successfully, and preparations are underway for the launch of a new FEFISOL II fund which will be even more ambitious in terms of social and environmental objectives.



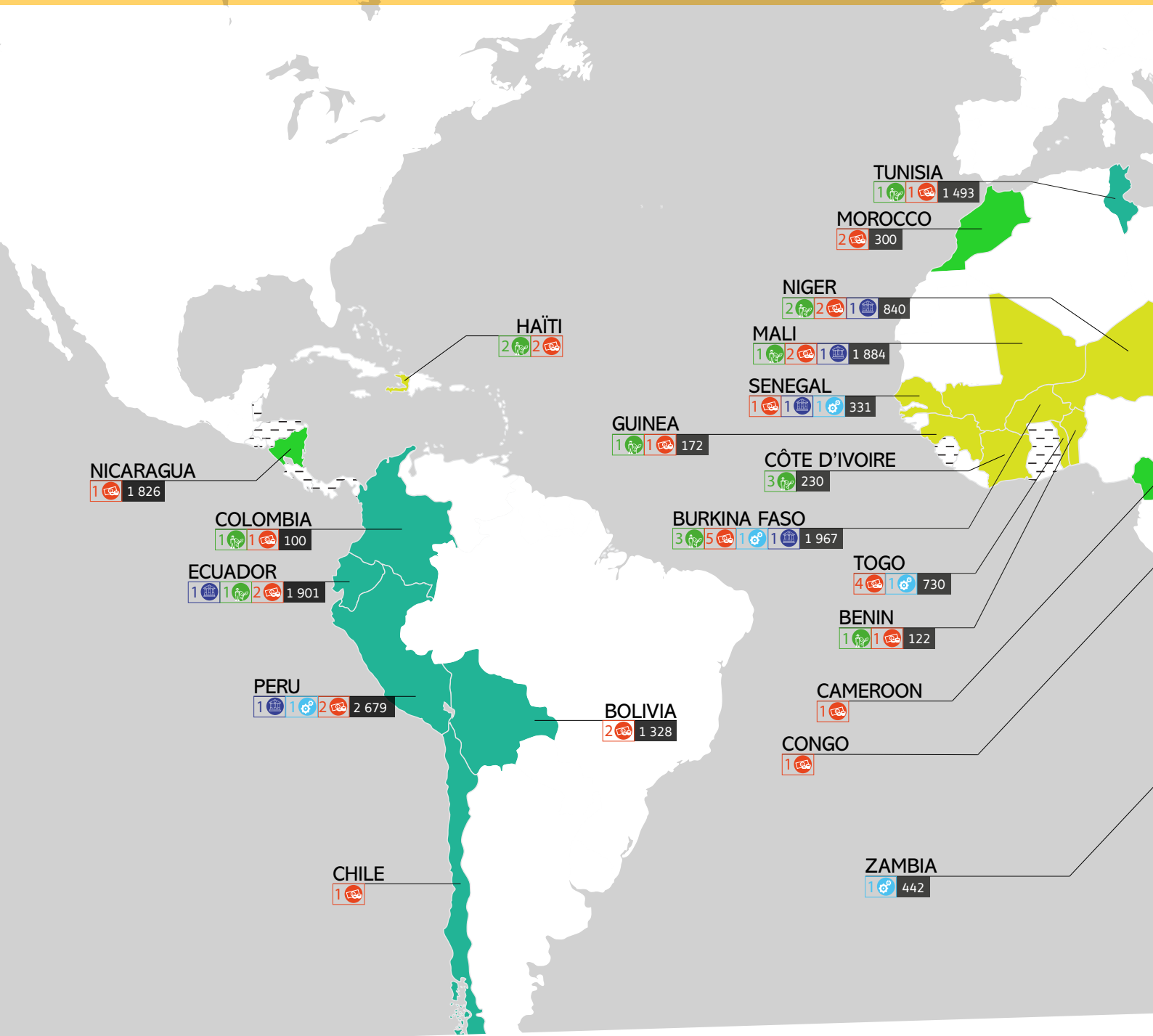
In October, SIDI took part in African Microfinance Week held in Kigali, Rwanda. This 5th edition brought together nearly 600 inclusive finance professionals, representing 55 countries. Organized every two years in a different African country, African Microfinance Week offers conferences, trainings, workshops, an innovators' village, and an investors' fair in which SIDI actively participates. The meeting is the premier networking opportunity dedicated exclusively to African investors and MFIs, and allows SIDI to form connections and build future partnerships.

SIDI has been selected to participate in the SSNUP program (Smallholder Safety Net Upscaling Programme). Funded by the Swiss Agency for Development and Cooperation and the Luxembourg Agency for Development Cooperation and Humanitarian Action, the program aims to strengthen the safety nets of 10 million smallholder households in Africa, Latin America and Asia through technical assistance and investments in agricultural value chains.

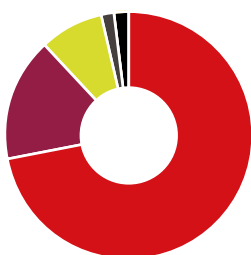
The first co-financed projects will start in 2022.



Where SIDI Works



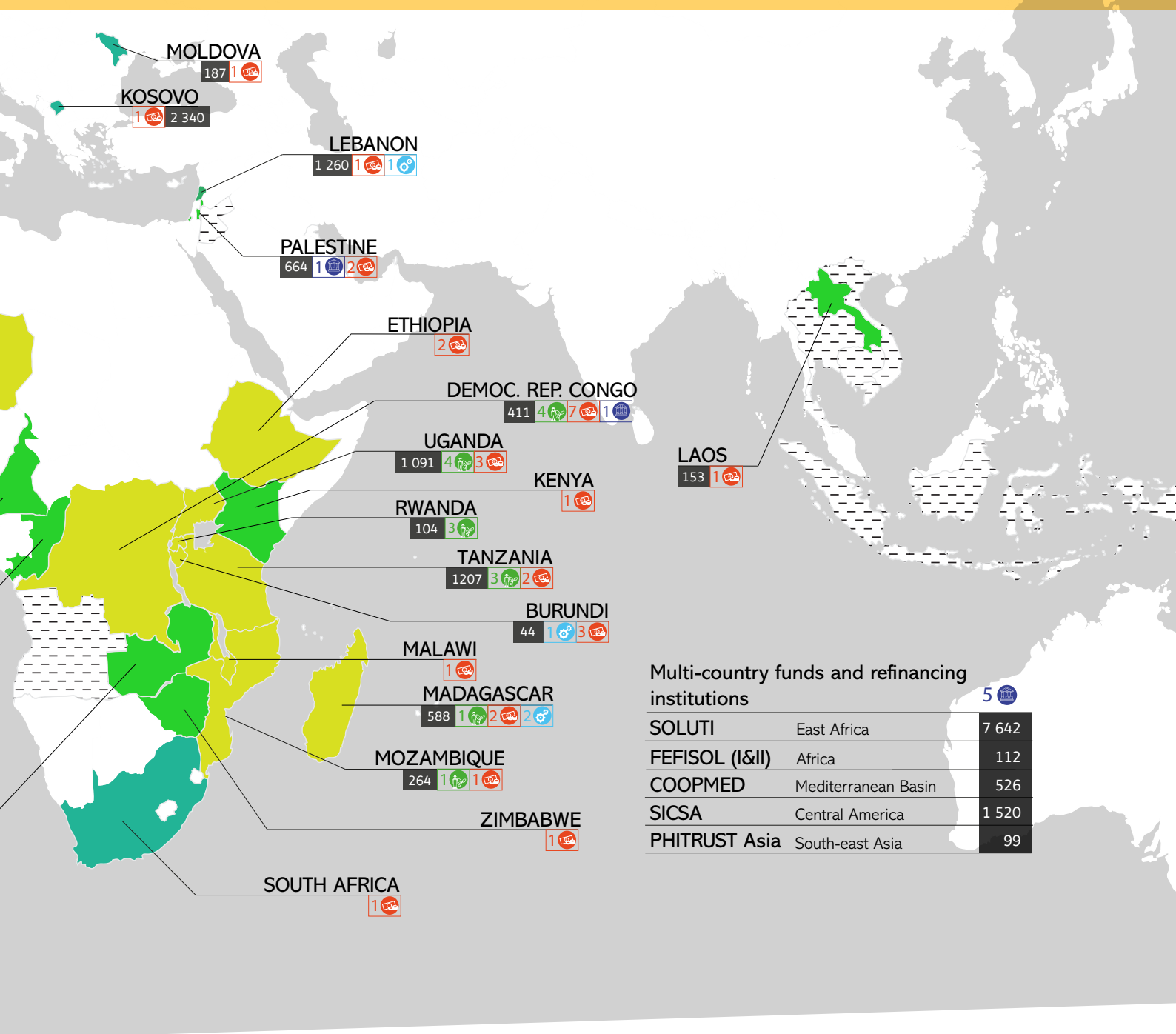
BREAKDOWN OF PARTNERS BY REGION



85	Sub-Saharan Africa
19	Latin America & the Caribbean
10	Mediterranean Basin
2	Eastern Europe
2	Asia



118 partners
+ 26 partners via SOLUTI and FEFISOL



Legend

140

Outstanding SIDI portfolio by country (in K€)



Indirect presence of SIDI (via refinancing institutions and investment funds)



Financial inclusion



Agricultural sectors



Social enterprise



Refinancing institution

HDI levels by country: UNDP data, 2018



High HDI > 0,7



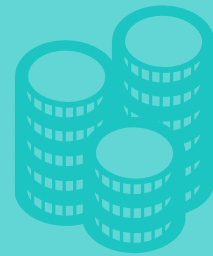
Average HDI > 0,55



Low HDI < 0,55

(France's HDI = 0,9)

Expanding access to financial services



Support for the development and structuring of microfinance institutions remains SIDI's core business. In an increasingly mature sector, this form of intervention continues to be both appreciated by partners and relevant, thanks to SIDI's ability to respond to a demand that varies across contexts: long-term equity investments without exit constraints, loans in local currency, guarantees, support, networking, etc.

SIDI is now leveraging its expertise in institutional development (strategy, transformation, governance, social and environmental performance management) to broaden its offer to finance and support inclusive finance actors adapt to ecological and climate crises, and accompany partners in initiatives towards an ecological and social transition.



1 291 days
of support



71 partners

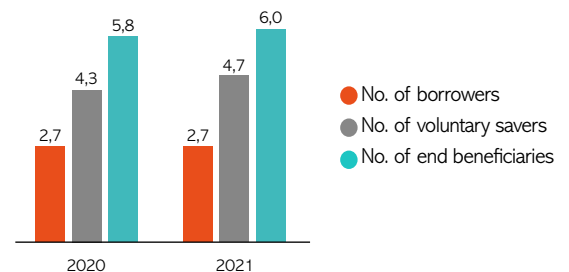


6.1 million
end beneficiaries



81 %
of the portfolio

Outreach of MFIs and refinancing institutions
(in millions) - excluding Soluti



Partner MFIs dedicated

86 % of their portfolio to
the financing income-generating
activities

67 %

MFIs offer non-financial services



A new partner in Burkina: SIDI takes a stake in ACEP

ACEP Burkina began activities in Ouagadougou in 2012 and has gradually expanded, reaching a network of 9 branches in the major cities of Burkina Faso.

Today, ACEP Burkina is the second largest microfinance institution (MFI) in the country in terms of portfolio size and outreach, with over 32,000 active clients, of which 23% are women, and 15,000+ borrowers.

ACEP Burkina has several comparative advantages in terms of supporting an ecological and social transition:

- A 100% local and young management team whose competence is widely recognized;
- Strong impact in terms of financial inclusion, especially on the VSE/SME market segment which is a strong driver of job creation;
- Deep implementation, as the recent creation of branch in Ouahigouya testifies; this large northern city is close to the Malian border and is an area of high security risk.

ACEP Burkina first entered into a partnership with FEFISOL in 2014, when the institution was just two years old. It has benefited from three consecutive loans. SIDI took the opportunity to take a stake in the MFI in light of the withdrawal of one of the shareholders. The process was initiated in 2021.

ACEP Burkina's ability to grow despite a context of high insecurity, and then resist the Covid crisis with a positive result in 2020 and 2021, is impressive. The medium-term prospects are good, as the institution has been built on solid foundations.

For SIDI, becoming a shareholder of ACEP Burkina aligns with our commitment to the mission of building an inclusive finance sector in Africa and more particularly in the Sahel region. The multiple challenges facing the region - political and security issues, impact of climate change on the agricultural sector, lack of employment opportunities, particularly for young people – make it a priority for SIDI to achieve its mission of environmental and social transition.

This partnership aligns with SIDI's overall strategy of maintaining a strong presence in Burkina Faso and aiming to achieve striking a healthy financial balance between working with sufficiently solid rural MFI who target the very poor, and supporting more urban-focused MFIs with larger average loans.

With its future role in the governance of ACEP Burkina, SIDI plans to encourage the MFI to develop agricultural financing, and further guide its strategy in favor of an ecological and social transition.

58 %
of partners are located in countries
with low banking coverage

A new investment in HEKIMA in the DRC

Hekima (“wisdom” in Swahili) has been operating in Kivu as a microcredit institution since 2007. It has been authorized to collect savings since 2017.

Despite the situation of insecurity that has persisted in the region for nearly 25 years, the institution has pursued the development of credit and savings services, primarily targeting women traders in the region's urban areas. Hekima even managed to resist the eruption of the Nyiragongo volcano in May 2021, which led to the evacuation of Goma - more than 2 million inhabitants - for more than 3 weeks.

Its wherewithal in a difficult security, economic and legal context, its women-focused targeting (nearly $\frac{3}{4}$ of Hekima's customer base), its attention to social performance (monitoring tools, customer surveys, etc.) make Hekima a well-regarded microfinance institution in the community. It provides its 12,300 clients in Goma and Bukavu with individual and group loans, and has

developed a “community bank” loan that averages \$200, for clients with no guarantees and little capacity, i.e. nearly 80% of its customers.

Thanks to its many qualities, Hekima already has the support of international donors. It nonetheless asked SIDI for additional financing, to grow its loan portfolio. Hekima provides financial and technical services to women traders in a difficult context and a region that is very underdeveloped in financial services, and has shown great resilience in the face of multiple crises (security, economic, Ebola, COVID, etc.). This justified SIDI's decision in mid-2021 to grant it a three year senior loan of \$400,000.

This investment strengthens SIDI's presence in the Kivu region, where it has worked for almost 20 years. Currently investments are focused on 3 sectors: microfinance, agriculture and renewable energies.



Soluti, SIDI subsidiary in East Africa

After ten years of partnership, Soluti, an institution dedicated to the financing of MFIs and agricultural entities in East Africa, became in 2019 a subsidiary of SIDI in East Africa following the withdrawal of its founding and majority shareholder. This buy out allowed Soluti to continue to offer adapted refinancing to the institutions in the region, thanks to its deep knowledge of the local context. The investment has allowed SIDI to grow its partner network in the region, and achieve its objectives of supporting income-generating activities in Africa while reducing the environmental footprint associated with on-site monitoring of partners.

SIDI wanted to maintain Soluti's relatively independent approach to operations: the company has a mostly local board of directors and the executive team is based in Uganda. At the end of 2021, Soluti has a portfolio of €11.2 million with 28 partners, including 25 MFIs. It had returned to 2019 levels, after a drop in 2020 mainly due to the health crisis. The portfolio is concentrated in Uganda (60% of the outstanding and $\frac{3}{4}$ of the partners), Tanzania and Kenya. Monitoring and new partner prospective missions resumed in 2021 in Kenya and Tanzania.

In 2021, Soluti saw a drop in portfolio quality (from 1 to 5% for the Portfolio at Risk 30 days), the restructuring of 4 loans, and the provisioning of a partner with relatively large outstandings. This deterioration nevertheless remained contained, compared to the deterioration of the situation of Soluti's partners in a context affected by Covid19. In June 2021, 46% of partners had loss-making operations. Organizations began to recover after the June-July confinement in Uganda. At the end of 2021, only 23% were still recording losses. Another important issue for Soluti lies in maintaining a balance between support for more mature partners with significant outreach and support for smaller partners with local roots and a cooperative-type approach.

SIDI's investment is significant: after acquisition in 2019 for €3.7 million, SIDI's outstanding debt to Soluti was



€7.8 million at the end of 2021 (stable compared to 2020) and consists of an equity stake of €4.2 million, an outstanding loan of €1.6 million and two guarantees enabling local bank refinancing amounting to €2 million.

Time spent by the SIDI team on monitoring and accompanying Soluti has increased commensurately with these new investments and responsibilities. The main support is provided at the governance level. Four people from SIDI's head office participate in the statutory bodies to interface with Soluti and to participate in all the Board committees (executive, operations, finance, social and environmental performance, audit). SIDI's Management Committee coordinates SIDI's strategy with that implemented by its subsidiary Soluti.

In 2021, specific support was provided to the executive team in several areas. The Investment Officer in charge, the Head of Financial Strategy and the Director of SIDI provided support to develop the financial strategy and identify new financing. The strategy seeks to consolidate a business model that involves refinancing partners who work on the margins of financial intermediation, while financially strengthening small and medium-sized MFIs, in particular mutualist structures in rural areas with little or no other financing, as well as successful MFIs provided small uncollateralized loans.

SIDI has also been a driving force in Soluti's social and environmental performance. An initial training on environmental performance management was provided in May 2021 to Soluti administrators, and subsequently the Board of Directors was mobilized to prepare for a technical assistance facility that aims to deepen practices already in place for measuring and monitoring social performance at Soluti level.



25 MFIs +
3 POs financed



€14 million
invested
(as of 31 Dec. 2021)



1 049 671
end beneficiaries



31%
of the portfolio
devoted to
agriculture

Supporting agricultural value chains



SIDI has been committed for years to the promotion of family farming. Neglected by traditional financial circuits, it nonetheless responds to the three major challenges facing agriculture – food sovereignty, preservation of natural resources and biodiversity, and decent job creation in rural areas.

SIDI promotes agroecology as a form of agricultural production, and provides financing and support to strengthen sustainable and resilient agricultural practices.

SIDI mainly finances export sectors while underpinning local economic development by helping producers access organic and fair trade certifications. Its partners are producer organizations and SMEs that aim to have a strong social and environmental impact.



105 863 small
producers
supported



19 %
of the portfolio



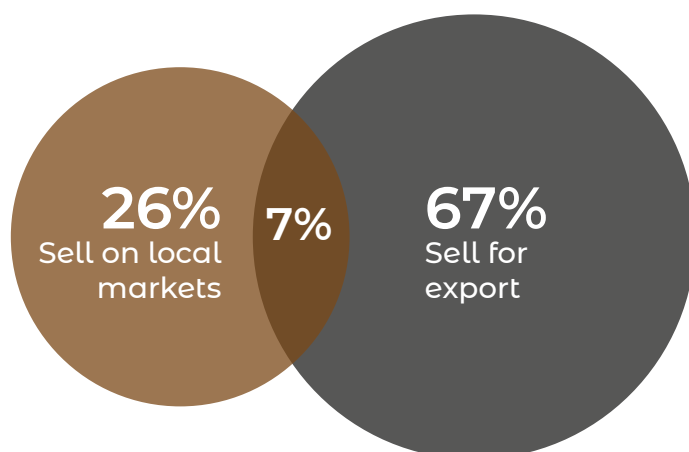
43 partners



1 002 days
of support



Among POs and social
businesses:





Forest beekeeping: a traditional and ecological activity

Forest Fruits is a company established in 1998 in Zambia. It supplies around 6,000 beekeepers around the district of Mwinilunga, a remote region in Zambia's northeast. Beekeeping is an important source of income for families. It is an ancestral practice that dates back 500 years: the hives are kept high up in the trees and spread over distances of up to 50 kilometers.

Forest Fruits employs locally (71 employees in December 2021) and offers employee training programs. The company aims to enable beekeepers to live on a decent income. It is strongly committed to innovation and the development of products derived from honey with high added value (honey vinegar, honey mustard, beeswax candles, etc.). This diversification has allowed Forest Fruits to gradually increase the remuneration paid to suppliers.

The beekeepers produce forest honey, certified organic. It is very dark and has a pronounced taste that is prized by many. The honeycomb is sold by beekeepers to Forest Fruits and then processed in its factory in Mwinilunga. It is then stored in barrels, which are transported to the capital Lusaka, before being exported as is or packaged in bottles for retail markets. Forest Fruits has a packaging factory in Lusaka for this purpose.

Forest Fruits has been funded by FEFISOL since 2014, and by SIDI since 2020. A first loan of \$750,000 was granted in November 2020, and followed by a second for \$1,000,000 in 2021.

Three years ago, the company embarked on research to develop honey vinegar (made from lower quality honey not used for direct consumption). Thanks to the support of a consultant, paid by FEFISOL in 2019, the scale-up of production was made possible. Forest Fruits has installed 8 tanks of 10,000 liters in its Lusaka factory: it is the largest honey vinegar production factory in the world, to their knowledge.

In July 2021, a second technical assistance mission financed by FEFISOL took place. This time, a local consultant was commissioned to carry out a market study to identify potential export markets for honey vinegar and to develop a brand image and a marketing strategy. United States, South Africa, and China were identified for potential exports. Forest Fruits hopes to recruit a part-time marketing consultant soon to identify distributors in these target countries.



Financing a cooperative union that structures its community

The Ankole Coffee Producers' Cooperative Union (ACPCU) was created in 2006 in western Uganda by 10 village cooperatives, to organize the export of their fair trade-certified Robusta coffee and thus improve their economic conditions, create local jobs, and build local capacities.

Today the union brings together 26 cooperatives with over 15,000 coffee growers. It aims to improve the quality of coffee in order to maintain and expand distribution, and works actively to preserve the environment. All production is now certified organic, and the union trains members in agroecological practices, diversification and how to adapt to the risks of climate change. It also has a nursery that supplies coffee seedlings and fruit trees for polyculture, and a plot that is used for research and duplication of more disease-resistant seedlings.

ACPCU is profitable, with sales growing steadily. The accumulation of several years of fair trade premium allowed it to finance in 2015 a factory and thus manage all the processing stages, from the cherry to the bagging of grain. It also owns warehouses and silos, as well as a laboratory for tasting and grading the quality of the coffee.

The efforts to ensure quality combined with ACPCU's mastery of processing has allowed the company to identify good distribution channels and negotiate higher-than-market prices. As a result, the smallholder members (average plot size is half a hectare) have a more secure, stable and better remuneration.

ACPCU has been a partner of SIDI and FEFISOL for more than ten years. In 2021, SIDI took over from FEFISOL and renewed ACPCU's credit line of \$700,000, making SIDI the Union's 2nd largest funder.

ACPCU illustrates the power of organized cooperatives to change scale, when there is a dedicated commitment to a clear vision of development, capacity building and environmental preservation. It constitutes, for its 15,000 members and (to a lesser extent) for the farmers of other cooperatives which also supply it with coffee, a determining factor of development, and of empowerment.

Bioprotect: supporting farmers' organizations via a collection company

Faced with the growing security risk in the Sahel region, SIDI has chosen to resolutely maintain its activity there, particularly in Burkina Faso, where rural areas are increasingly suffering from an increase in extreme poverty.

SIDI entered into dialogue with the company Bioprotect, created in 2011, to develop the country's organic sesame sector. Bioprotect is already financed and supported locally, by the venture capital company Sinergi Burkina, of which SIDI is one of the founding shareholders. In order to find additional financing to develop its activities, it therefore quite naturally turned to SIDI.

In a few years, Bioprotect has managed to establish itself as the leader of the organic sesame market in the country. The premium selling price ensures higher incomes for producers. To develop the sector, Bioprotect offers collection and marketing of sesame, training services for producers and support for obtaining organic certification. In addition, it produces quality organic inputs, which compete with synthetic chemical pesticides, and certified organic seeds. It has also diversified into market gardening and shea nuts. To date, it collects sesame from more than 3,000 family farms, most of which are certified.

Bioprotect's objective is to ensure sustainable production by protecting soils and ecosystems, while generating local added value by creating processing units. To finance its growth with a planned doubling of the sesame collection in 2022, Bioprotect requested and was granted an initial ten-month loan of €75,000 in 2021. In collaboration with Sinergi Burkina, SIDI will also support the company with financial management and accounting.

Bioprotect, a fast-growing social enterprise that applies its values of environmental protection and support to small producers in all its activities, is a new partnership that is particularly relevant for SIDI. It allows SIDI to support farmers' organizations it could no longer directly support due to the degraded security context, making it possible to meet the growing needs of farmers resulting from climate change.

77 %

POs financially support their members to adopt sustainable farming practices

67 %

POs certified Fair Trade

73 %

POs sell produce that is certified organic



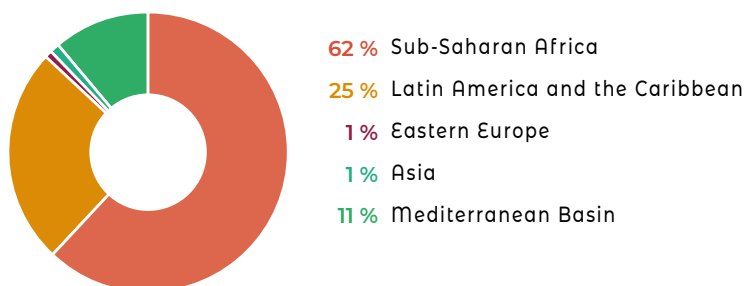
Support partners become sustainable



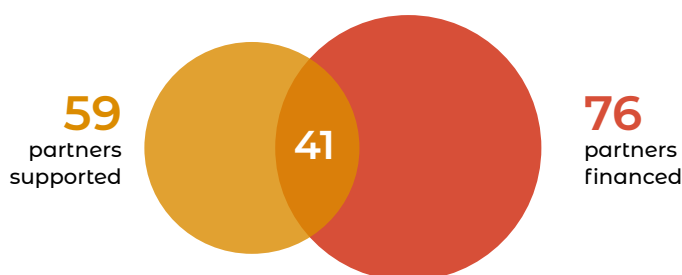
SIDI's mission as a socially responsible investor has two inseparable pillars: financing and technical support that aims to reinforce the operations of partners. In addition to prospecting and monitoring partners, which are part of the mission of any investor, the SIDI team devotes more than 50% of its time to:

- customized support, which consists of monitoring and regular dialogue with the organization, in order to answer requests for assistance and thus strengthen capacities,
- technical assistance, which addresses specific requests to support professionalization, strategic planning, internal organization and social performance management,
- active participation in the governance of structures in which SIDI is a shareholder, where we advocate for balanced financial and social management.

BREAKDOWN OF SUPPORT BY GEOGRAPHICAL AREA



NUMBER OF PARTNERS FINANCED AND SUPPORTED



1 320 days dedicated to support



59 partners

33 partners for which SIDI sits on the bodies

Fair Trade & Tourism Lebanon: exit from the crisis in sight?

Fair Trade and Tourism Lebanon (FTTL) is a Lebanese company that markets fair trade food products. SIDI is a founding shareholder. The partnership started in 2007 with a first loan to the association Fair Trade Lebanon (FTL), the initiator of the company, which aims to promote rural development in the country.

In 2019, FTTL found itself in a deteriorated economic situation. The economic, financial and banking crisis, which continues today, has seriously affected the country (drastic lack of liquidity, fluctuating exchange rates, exchange controls) and generated a massive increase in unemployment for some, and a reduction in real wages for others. 80% of its population now lives below the poverty line.

As an extension of the actions carried out in 2019 and 2020, and to consolidate FTTL's balance sheet, SIDI proposed in the first half of 2021 to convert its receivables into capital, in return for obtaining a second seat on the Board.

At the same time, the FTL association experienced strong growth in 2020, and started benefiting from an influx of donors. This has enabled it to promote products from rural cooperatives, and free up financial resources, which in turn has allowed it to provide financing to FTTL. In a second step, it was planned to convert the association's debt into equity in FTTL.

In mid-2021, a shareholders' pact was finalized and signed. The receivables held by one of the founders, SIDI and the FTL association have been converted into capital and a new Board of Directors has been set up. SIDI is now FTTL's second largest shareholder, with 31.7% of the capital. The second director post was offered to SIDI, which will enable closer monitoring and more financial oversight.

The company has slashed costs, by reducing local points of sale and reducing payroll. Finally, thanks to the work of the team and the loyalty of international buyers, foreign sales held up well during the year. The export sales have protected the company from the effects of the plummeting Lebanese pound. There has been a gradual consolidation of the FTTL team (11 people employed at the end of 2021) as well as an uptick in activity in FTL association, which employs around 40 people.

The main objective of 2021 will have been achieved. Recapitalization has been completed under satisfactory conditions, leaving open the possible entry of new investors. Commercial activity, almost entirely for export, was stable in 2021 and made it possible to end the year with a turnover that was admittedly modest but positive!

Support to
community finance

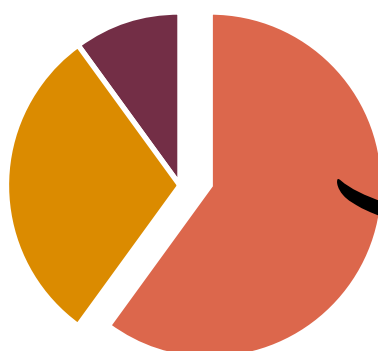
83,866

Muso members

62 %

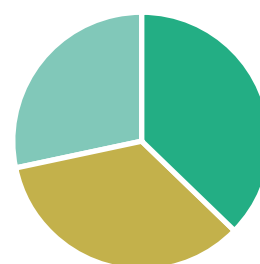
of Muso
members are
women

DISTRIBUTION OF DAYS
DEDICATED TO PARTNERS



60 % Support
30 % Sourcing
10 % Financial monitoring

OF WHICH NUMBER OF
DAYS DEDICATED TO
SUPPORTING PARTNERS



37 % Participation in governance
34 % Customized support
28 % Technical assistance



COPROBICH: a long-lasting partnership

Coprobich (Corporación de Productores y Comercializadores Orgánicos Bio Taita Chimborazo) is an Ecuadorian cooperative that brings together 527 quinoa producers from rural communities in the province of Chimborazo. Coprobich was created in 2003 to improve the income of its members and protect the environment, culture and practices of the Puruha, an indigenous ethnic group in the region. It markets organic, fair trade quinoa, and is now the 2nd largest exporter of organic quinoa in the country. Thanks to a processing plant co-financed by SIDI in 2012, Coprobich directly manages the “de-saponification” stage which makes the quinoa edible, and has packaging capabilities to supply directly marketable products. Thanks to the organic and fair trade certifications and the full management of the production chain, Coprobich can offer producers the best price on the market, while providing support services for organic production and certification, as well as training in agroecology.

SIDI has been a partner of Coprobich since 2011. In addition to co-financing the processing plant in 2012, SIDI granted eight crop loans, the most recent one for \$200,000 in 2021, to finance the 2022/2023 crop year.

SIDI also supports Coprobich with technical assistance aimed at improving management, financial capacity and internal resources, to help the cooperative reach break-even. SIDI has employed all of its levers of change, first and foremost by closely monitoring the cooperative's operations and financial situation since 2011, and

working closely with the importer Ethiquable, its main client, with whom SIDI has an excellent relationship. In addition, SIDI negotiated with the ACTES Foundation financing for two technical assistance missions, one in 2018 for the inventory management, and the other the following year relating to the audit annual accounts, with the aim of attracting new investors.

SIDI has also included Coprobich among the beneficiaries of the TAPSA program (see p.25) to promote agroecology. The program is coordinated in partnership with CCFD-Terre Solidaire with co-financing from AFD, which this year enabled the cooperative to strengthen its advocacy work on food sovereignty, and build skills to preserve indigenous seeds. TAPSA has also made it possible to provide producers with training and tools to promote agro-ecological food production and increase their food sovereignty.

In 2021, the partnership was further strengthened. To reduce Coprobich's liquidity constraints: Ethiquable and SIDI coordinated to grant Coprobich an extension on an outstanding loan, which was settled at the end of the year. In addition, joint discussions were carried out around Coprobich's commercial and financial strategy, in order to strengthen the business model.

In working with Coprobich—an organization that is committed to holistic development in its region—SIDI's “long-haul” approach has resulted in the implementation of a strategy that enables actors involved in the ecological and social transition to access the resources needed to achieve their goals. For this reason, SIDI will remain at its side and continue to support the cooperative's growth.



The agro-ecological scorecard, an audit tool developed by SIDI

Within the framework of the strong partnership relationships created and maintained by SIDI, we wished to be even more ambitious in terms of our level of understanding of agroecology, the measurement of partners' practices in this area, as well as the quality of targeting and its support. The idea is to promote and strengthen the sustainability of agricultural and economic practices implemented by partners, from a social and environmental point of view.

Back in 2018, SIDI created an internal working group on sustainable agricultural practices to explore issues related to ecological transition and to explore how to better equip SIDI teams to support partners involved in agricultural sectors. SIDI has an increasing number of partners in the agricultural sector (43 in 2021). Most are organic and fair-trade certified, but we've observed that beyond the changes in practices brought about by these certifications, support for producers in terms of agro-ecological practices needs reinforcing.

The preliminary work of the group was expanded upon by the recruitment of 2 agronomists whose subsequent work led to the definition of a pilot scorecard for the evaluation of agroecological practices both at the level of producers and cooperatives.

The scorecard was tested with five partners (MFIs KRK in Kosovo and UBTEC in Burkina Faso, two coffee producers' organizations in South Kivu, CPNCK and MUUNGANO, and FUCOPRI, a union of rice POs in Niger). The pilot allowed for a comparative analysis of the sustainability and economic performance of farming systems promoted in these different organizations.

The workshops presenting results enabled the partners and their members to start thinking about ways to improve their practices. These results fed into the working group, and ultimately led to SIDI's formal adoption of the agroecology scorecard at the beginning of 2021. Three audits were subsequently carried out with Beni Ghreb, CENCOIC and UCLS.

The scorecard has four categories: water and energy resources management; rotation and cropping practices; inputs management and socio-economic viability.

Since SIDI is neither a technical expert nor a specialist in agroecology, thus this diagnostic tool has the following main objectives:

- Propose a concrete, technical self-assessment tool to initiate discussions with partners and encourage them to analyze their practices,
- Qualitatively measure the changes resulting from the partner's efforts vis à vis its suppliers/producers (and therefore indirectly the results of SIDI's partnership), ,
- Monitor the partner's progress over time in moving towards ecological and social transition.

With the agro-ecological scorecard, SIDI's partnership managers have a methodology to analyze, monitor and advise or guide partners on how to take into account the social and ecological aspects of agricultural production.

The scorecard will be added to SIDI's toolbox of selection instruments. It will be used to refine targeting by introducing agro-ecological criteria that are adapted to the country context and, when possible, sector.

Promoting social and environmental performance



Social and Environmental Performance (SEP) measures how an organization – like SIDI or its partners – puts its mission into practice and achieves its social and environmental objectives vis-à-vis the population it targets.

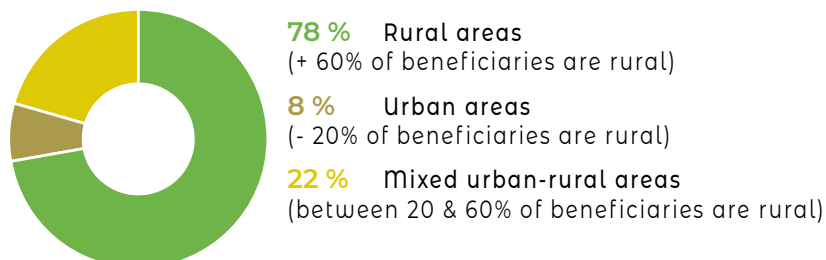
To assess SEP, SIDI monitors two levels:

- it analyzes the extent to which SIDI achieves its own objectives, by ensuring it provides patient capital, prioritizes institutions that have not yet reached break even, or are located in remote areas and/or in crisis,
- it analyzes the social and environmental performance of its partners who must be able to balance financial objectives with responsible practices, a client base of underserved populations, and appropriate products and services that bring economic and social stability.

Targeting vulnerable populations or remote communities

39 % of
beneficiaries are rural
people and 46 %
are women

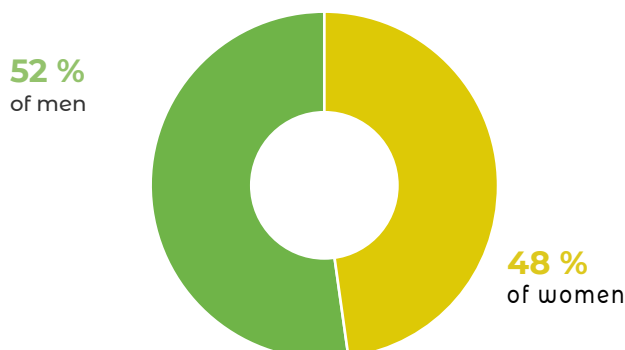
WHERE PARTNERS OPERATE



Contribution to job creation

19 989
people employed by
SIDI's partners

BREAKDOWN OF EMPLOYEES BY GENDER (in weighted average)





Impro: making the most of client data collection

Impro is a non-profit financial institution created in 1995 to support the economic activities of marginalized families in the peri-urban areas of La Paz and El Alto in Bolivia through the provision of credit. It now has nearly 3,000 active borrowers, for whom it systematically assesses poverty levels before each loan, which enables it to refine its credit decisions and adapt loan conditions (maturity, interest rate) to the borrower's capacities.

To finance portfolio growth, and help Impro expand into rural and peri-urban areas, SIDI entered into partnership with the MFI in 2019, with a three-year loan of \$600,000.

Following discussions on the use of data from clients' poverty assessment forms, Impro asked SIDI for support to analyze this data and integrate it into a new social and environmental performance management system. The project started in 2021 (with difficulties linked to COVID), with resources and management oversight from SIDI and the support of an expert in data analysis.

The first phase of the project focused on analyzing 20 years of historical data. This phase made it possible to identify clients' socio-economic profiles but also the database structure.

The expert consultant was able to identify recommendations regarding the quality and quantity of the indicators chosen, data collection procedures, and choices for the management system. These recommendations will be discussed within Impro and with SIDI, to prepare a second phase, scheduled for 2022, which will involve implementing a social and environmental performance monitoring tool for Impro.

SIDI supported improved
SEPM monitoring on the
Boards of
10 of its partners

64 % of partners
track their social
and environmental
performance

81 % of POs have
adopted agroecological
practices



Support for social and environmental performance management at PAMECAS

In Senegal, UM-PAMECAS (*Union des Mutuelles du Partenariat pour la Mobilisation de l'Épargne et le Crédit au Sénégal*) is a financial institution whose some 700,000 members are both users and owners. The network was founded to address the needs of a very large part of the population, who did not have access to financial services. This objective of financial inclusion has led PAMECAS to target all socio-professional categories by offering them a diversified range of products and services. PAMECAS started in 1995 with one branch in Dakar. The institution has since extended across the country, opening branches in all regions of Senegal except Sédhiou. Currently, PAMECAS has a network of 107 service points.

SIDI has partnered with PAMECAS since 2018, financing the institution jointly with FEFISOL. In 2021, SIDI supported PAMECAS in the implementation of its social and environmental performance management strategy. It had just adopted a new five-year business plan covering the period from 2020 to 2024, which aims, among other objectives, to strengthen PAMECA's social utility.

To do this, the MFI asked SIDI to first review the vision/mission of PAMECAS and translate it into indicators, and secondly to define an institutional framework for the implementation of the approach. At the end of the preliminary work to define the mission, co-financing was validated between the ACTES Foundation and the FEFISOL Technical Assistance Facility to cover the consultants' fees and logistics. A project team was set up, including the SIDI partnership officer, the SEP unit, FEFISOL's technical assistance team, and the consultants.

SIDI was able to offer a complete package of assistance around social and environmental performance management, covering the following activities: training of PAMECAS teams on the principles of social and environmental performance management; the organization of a participatory workshop to define the mission, vision, objectives and social indicators; carrying out an SPI4 audit; the organization of a workshop to present the social audit's results, validate an action plan and monitoring indicators; and finally, the development of the document "PAMECAS social and environmental performance management policy".

Work started in the second half of 2021 and was completed in early 2022 with the integration of the SEP action plan into the PAMECA's overall strategic plan.

59 %

of partners have organized awareness-raising workshops on environmental issues for their members or clients

26 partners

use renewable energy sources

19 MFI partners

offer loans for the purchase of renewable energy equipment

Analyzing the impact of a major player in South Africa microfinance

SEF (Small Enterprise Foundation) was established in 1992 as a poverty alleviation program, with the goal of providing credit services to women microentrepreneurs in the poorest and most populated rural region of South Africa, Limpopo. From its inception, the MFI has focused on providing group loans in rural areas, where people have virtually no access to financial services. This methodology has enabled it to serve the very poor, and has contributed to making SEF today the largest mission-driven MFI in the country. With 98 rural branches in four regions, and 214,043 clients in 2021, SEF has demonstrated its financial and institutional solidity.

SEF has been a partner of SIDI and FEFISOL since 2017, and has benefited from three successive loans, as well as technical assistance relating to digitalization and training. In 2019, SIDI offered SEF an opportunity to carry out an impact study, to assess whether SEF's activities contribute to improving the socio-economic situation of female clients, and also to reducing the gender inequalities they face.

The study was co-financed by SIDI, F3E and the Grameen Crédit Agricole Foundation. It was carried out after the COVID crisis in 2021 by a specialized firm which carried out statistical surveys, as well as qualitative data collection through interviews and workshops with a selection of clients. The methodology took a participatory approach that also involved SEF

employees. The whole process was supervised by a steering committee bringing together SEF and donors.

Published in 2022, the impact report confirms a gradual improvement of clients' socio-economic situation and a reduction in vulnerability due to new income-generating activities. Clients report being more sure of themselves and more optimistic, and know how to leverage the support offered in the community centers initiated by SEF. Finally, in terms of gender, the study is cautious in its conclusion, as the clients are discreet about talking about their link to SEF inside their household: the study was simply able to identify situations where women saw their ability to negotiate increase within the home.

Ultimately, the report notes that SEF is indeed one of the few institutions from which disadvantaged women can borrow to develop their income-generating activities in a South African context where the supply of consumer credit, totally unsuited to these situations, abounds. It also makes recommendations that will enable SEF to better meet its goal of lifting clients out of poverty, emphasizing the complex relationship between financial services and the multidimensional causes of poverty.

For SIDI, the encouraging conclusions of the report as well as its recommendations will enable us to enrich exchanges with other partners.



Increasing solidarity-based resources



SIDI's financial independence comes from a business model that mobilizes shareholders and individuals, who provide the bulk of its resources and thus enable it to carry out its social mission. This is why SIDI strives to cultivate these financial support and leverage it as much as possible by building meaningful alliances.

In 2021, the SIDI team was able to negotiate €1.1 million in subsidies from its network of allies (including the TAPSA project), which made it possible to strengthen support for 21 partners. Similarly, it enabled four partners to obtain additional loans totalling 4.6 million euros.

Building operational alliances

In 2021, SIDI strengthened its partnership with Crédit Coopératif, acquiring a stake in Inpulse, a Crédit Coopératif subsidiary. The management company specializes in the development of impact investment funds. Inpulse has since been chosen as manager of the FEFISOL II fund, in which Crédit Coopératif also invests.

As part of this renewed SIDI/Crédit Coopératif partnership, two solidarity funds managed by another one of the bank's subsidiaries, the asset management company Ecofi, also became SIDI shareholders in 2021. The specialized professional fund Contrat Solidaire and the solidarity employee savings fund Dynamis Solidaire have invested a total of €800,000, bringing the total investment of the Ecofi funds in SIDI to €1,300,000 at the end of 2021.

In total, at the end of 2021, SIDI counted nine solidarity funds among its shareholders, investing nearly €7 million, or 20.5% of the capital. In addition to the Ecofi funds, the funds of La Financière Responsable and Covéa Finance have reinvested in SIDI.

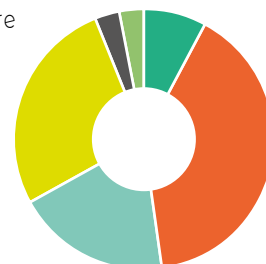
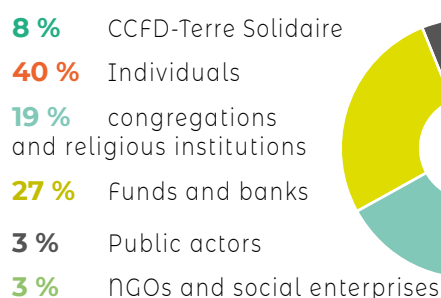
In doing so, they have confirmed their willingness and ability to support SIDI's growth, thanks to the solidarity-based employee savings plans offered by employers in France, which are growing in popularity and outstandings. The asset management companies are active shareholders, attentive, and very concerned about SIDI's social and environmental performance, which they report on to their asset owners.

2021 was marked by the start of the partnership between SIDI and the *Fonds d'investissement solidaire international du Québec* (FISIQ). The FISIQ was designed as a financing

instrument for international solidarity organizations in Quebec, to finance social businesses in developing countries. Given our shared vision and similar operating models, SIDI and FISIQ have entered into cooperation to strengthen fundraising and set up partnerships or joint co-financing. SIDI became a member of FISIQ and granted it a loan of €250,000 to strengthen its financing capacity; the FISIQ has become a shareholder of SIDI for an identical amount.

Finally, Banque Alternative Suisse, a shareholder since 2019, considerably boosted support to SIDI this year. The new investment by BAS, a bank specialized in financial intermediation and advisory services for the real economy, places it among SIDI's top ten institutional shareholders.

BREAKDOWN OF SIDI'S CAPITAL €34 million as of 31 Dec. 2021



FIFAD and TAPSA: two co-financed programs at the service of sustainable agriculture

The TAPSA program (*Transition vers une Agroécologie Paysanne au service de la Souveraineté Alimentaire*) is co-financed by AFD, the ACTES Foundation and coordinated in partnership with CCFD-Terre Solidaire. 2021 is the 3rd year of this five-year program designed to support an agroecological transition in view of food sovereignty. Five of SIDI's partner organizations (out of a total of 29) have been supported to strengthening agroecological practices. Since the last quarter of 2021, exchanges have been underway to prepare TAPSA 2, which is expected to be start by the end of 2022 for four more years.

Initiated by SIDI and endowed with a €1.5 million grant from AFD, the FIFAD program (*Finance Inclusive pour des Filières Agricoles Durables*) aims to improve the living conditions and incomes of producers affiliated with partner organizations of FIFAD. The program focuses on training producers on agricultural practices that are more respectful of the environment, and facilitation of market access. It was designed in concert with several local organizations in three countries: AOPP in Mali, SOCOPA in Burundi, and finally IKURU, AMPCM and UPC-N in Mozambique.

The program started in May 2019, but missions did not start until 2021 due to the Covid-19 pandemic. The FIFAD program officer, SIDI investment officers, two volunteer consultants and an international consultant all participated.

FIFAD financed the structuring of a regional cooperative in Mali. In Burundi, the program supported the certification of food products from a local agricultural processing company. In Mozambique, some 2,830 smallholders were trained in sustainable agricultural practices.

During 2021, all of the partners managed to return to a sustained rhythm of activities after the delay caused by the pandemic. During each mission, a baseline assessment was made for each project. Projects were then revised based on an identification of the constraints encountered by the partners in the field and those imposed by the program, results already achieved and a redefinition of objectives and expectations. The program's flexibility makes it possible work smoothly with partners, since it allows for adaptation to the inevitable changes caused by complex sanitary, environmental and security contexts.



Developing the portfolio



In the wake of the Covid crisis, SIDI managed to resume sustained investment activity in 2021. Disbursements amounted to €12.3 million to 27 partners, including five new ones. Notably, SIDI made a significant equity investment in the microfinance institution ACEP Burkina (see p. 9) of €1.34 million.

At the end of the year, the portfolio totaled € 34.5 million, down this year due to the closure of the FEFISOL fund. SIDI's investment in FEFISOL II, €4.8 million euros at the first closing, will appear in 2022 accounts.

Portfolio income in 2021 was €2 million net, i.e. 5.8% of the portfolio. This ratios has remained stable, which testifies to a sound management of resources.

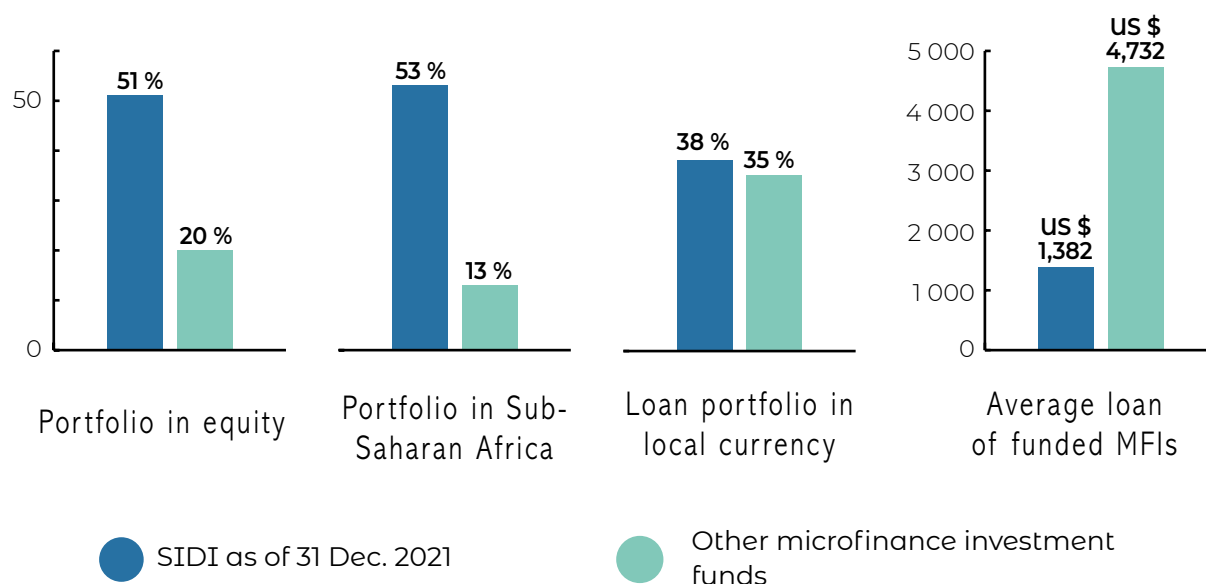
Managing risks

SIDI's mandate as a solidarity investor implies being able to finance fragile structures, to intervene in contexts marked by crisis, and to provide financing that is adapted to partners' needs (ex., in local currency, as equity). As such, SIDI is equipped to be able to take risks, knowingly, when they are justified. This capacity to manage risks is what allows SIDI to provide the best service to high impact local partners, without undermining our own sustainability.

Each new investment is the subject of a complete and rigorous analysis, which includes the review of all the potential risks (market, currency, country, price volatility, etc.), and an assessment of SIDI's ability to manage them, through support or technical assistance.

RISK SHARING (average portfolio over the year excluding funds)	2020	2021
Share of SIDI's portfolio invested in low HDI countries	44 %	47 %
Partners for whom SIDI was the first international investor	39 %	44 %
Share of SIDI financing in the portfolio of MFIs	8 %	7 %

SOCIAL POSITIONING OF SIDI



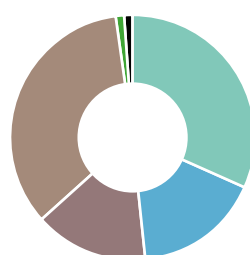
* Source : PAIF Report, data as of 31/12/2020

SIDI's portfolio risk management procedures establish acceptable practices in terms of risk diversification and define analysis and control mechanisms to monitor partner relationships. In 2021, SIDI developed its risk mapping tool to identify the overall risks to which SIDI is exposed, and to monitor and manage them more efficiently.

As investment volumes have increased, SIDI has also strengthened its *Fonds d'Incitation au Développement* (FID, Development Incentive Fund), a current account that covers the main risks linked to investments, by compensating for losses incurred in difficult contexts. SIDI benefited this year from a new matching contribution from a long-standing shareholder, and allocated part of its positive results since 2019 to the FID. These measures made it possible to increase the outstanding amount of the FID to € 6.3 million at the end of 2021.

SIDI rigorously pursues a well-defined social strategy, as evidenced by targeting, long loan terms, etc., but it does not undermine the solidarity resources that underpin operations: the portfolio at risk (90 days) fell again at the end of 2021 to 10.7% of the outstanding, down sharply compared to 2020 and the Covid crisis whose long-term effects are still being felt.

PORTFOLIO BREAKDOWN BY TYPE OF INVESTMENT

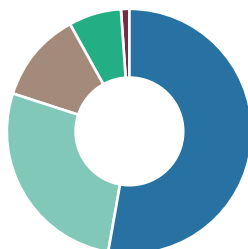


32 % Participation in local currency-
17 % Participation in hard currency

15 % Loans in local currency-
35 % Loans in hard currency

0,5 % Guarantee in local currency
0,5 % Guarantee in hard currency

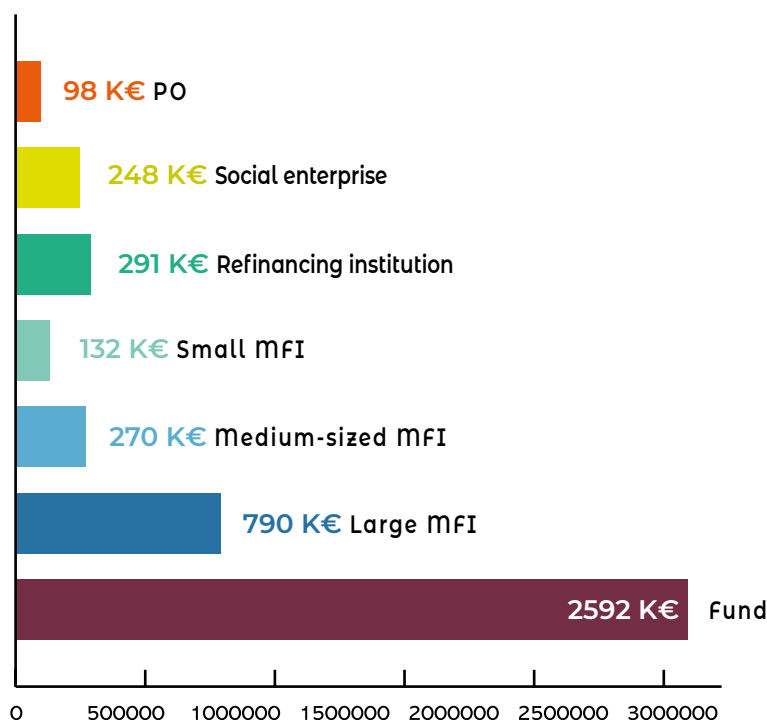
PORTFOLIO BREAKDOWN BY REGION



53 % Sub-Saharan Africa
27 % Latin America & the Caribbean
12 % Mediterranean Basin
7 % Eastern Europe
1 % Asia

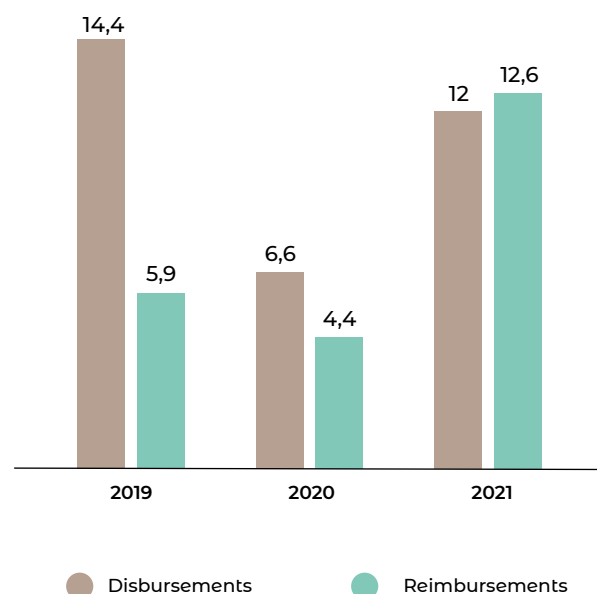
AVERAGE INVESTMENT BY TYPE OF PARTNER

(outstanding at 31/12 or disbursements for seasonal loans)



ANNUAL FLOWS

(in millions of €)



2021 - transition year to FEFISOL II

The European Solidarity Finance Fund for Africa (FEFISOL) was designed, launched and managed by SIDI and celebrated its 10th anniversary on July 21 2021. On this date, the shareholders voted in the General Meeting to dissolve the fund and enter into liquidation, as provided for in the shareholders' agreement.

FEFISOL was the first European fund dedicated to rural microfinance in Africa. It was launched with the support of a dozen European, African and North American institutional shareholders. SIDI is pleased to have seen major European institutions mobilize around the financing of vulnerable populations in rural Africa.

FEFISOL's two founders, SIDI and Alterfin, can point to some very positive results after ten years of FEFISOL.

- 86.5 million euros disbursed, of which 93% in Sub-Saharan Africa, 60% in countries with a low HDI, and 90% in countries vulnerable to climate change,
- 75% of average outstanding loans in local currency,
- 92 clients financed in 25 countries,
- 139 technical assistance projects carried out with 51 clients,
- 3.4 million final beneficiaries, half of whom are women and rural people.

Activity on the loan portfolio was in line with objectives with a high portfolio level (€22.3 million at its peak in December 2018), which generated a good return, despite the significant exposure to exchange rate risk (70% covered by AFD) and the risk profile of the partners financed (less than 1% annual losses on average). AFD's partial foreign exchange risk hedging mechanism has fully played its role as a «buffer» to cushion shocks related to exchange rate fluctuations in African currencies and has enabled the fund to finance MFIs in local currencies without being restricted to the currencies covered by derivative products. On the other hand, results were less conclusive on equity investments, with only 4 made instead of the 10 initially planned.

Building on the success of FEFISOL, SIDI and Alterfin set about structuring the new fund, FEFISOL II. The creation process FEFISOL II gained momentum at the end of 2021: the company was created on December 13, 2021 by the two founding shareholders. A first financial commitment

was made on 24 December by the European Investment Bank (EIB) for €5 million. Inpulse, an asset manager based in Brussels and specialized in impact investing and microfinance, was chosen to manage FEFISOL II. SIDI retains the function of portfolio coordinator, which involves accompanying SIDI and Alterfin's investment officers in the development development and monitoring of the fund's portfolio.

The end date of the first closing was set during the first half of 2022 with a minimum subscribed amount of €22.5 million. This objective was reached on time thanks to commitments negotiated with EIB (€5 million), PROPARGO (€5 million), SIDI (€4.9 million), BIO (€3 million), ALTERFIN (€2 million), Crédit Coopératif (€1 million), Banque Alternative Suisse (€1 million), Banca Popolare Etica (K€500), SOS Faim Luxembourg (K€125).

The objective for FEFISOL II is to pursue the fund's social mission and to be even more ambitious in terms of social and environmental performance. FEFISOL II will be implemented in more than 28 African countries and should ultimately reach 110 microfinance institutions or agricultural companies and cooperatives that source produce from smallholders who are mostly certified fair trade or organic.

By supporting the implementation of socially and environmentally sustainable practices, FEFISOL II directly aims to improve the standard of living of vulnerable populations in rural areas in Africa, reduce inequalities and promote sustainable agricultural development.



175 733 €
committed en 2021



12 projects
approved

In 2017, SIDI created the ACTES Foundation (ACcompanying Ecological, economic and Social Transition), under the aegis of the Terre-Solidaire Foundation, to finance «tailor-made» support projects with microfinance institutions (MFIs), producer organizations (POs) and social businesses. ACTES aims to contribute to their sustainable development through technical support, training and networking opportunities facilitated by expert consultants. Projects are proposed and monitored by the SIDI team, and relate to four themes: response to crisis situations, ecological and social transition, community finance (Musos, tontines, etc.), and improvement of social and environmental performance.

In 2021, 12 support projects were funded by the ACTES Foundation, for a total of €175,733. Projects included audit missions, training, strategic support, as well as technical assistance for social performance and ecological and social transition. ACTES also co-financed the TAPSA program again this year.

To know more : www.fondation-actes.org

Project: training with AIPR

Integrated Actions for Rural Progress (AIPR) is a Congolese NGO created in 2002 in the province of South Kivu. AIPR works for the food, social and economic security of poor populations, namely farmers and women organized in solidarity mutualist structures (Musos) to finance their income-generating activities. Most activities take place in very remote rural areas (Bunyakiri and Kalonge), where it supports 852 Musos with 15,430 members.

SIDI has been a partner of AIPR since 2010, and supports it with training aimed at improving the functioning of the Musos and strengthening the know-how of their facilitators.

AIPR strives to encourage individual and group income-generating project (ex., breeding, small agricultural processing units), and help structure these informal activities.

Thanks to funding from the ACTES foundation, AIPR was able to carry out two training sessions on these themes in 2021, which brought together 80 people, including already active Muso members but also non-members likely to initiate such activities.

The ACTES Foundation has also validated two new training courses in even more isolated zones, which will be carried out in 2022.

Project: social audit of Asala

Asala is a Palestinian microfinance institution that stands out for its presence throughout Palestine (West Bank and Gaza) as well as for its mission of defending women's rights. It targets women exclusively and proposes activities such as training and advocacy.

Asala benefited from support from the ACTES Foundation to carry out a social audit in 2021, in order to strengthen its social mission. The purpose of the audit was to assess its social and environmental performance, identify areas for improvement based on best practices in the sector, and enable SIDI to support Asala in the concrete implementation of these improvements.

The audit confirmed the appropriation of the institution's demanding social mission by staff and validated its efforts to adapt its offer to the needs of its clients, while treating them in a responsible and transparent manner. Its strategic, technical and operational recommendations have already enabled the team to adapt the institution's action plan.

Authorities as of 31 Dec. 2021

SIDI is a limited shareholding company with variable capital. Because of its legal form, it has two categories of partners, the limited partners and a General Partner, who ensures that SIDI's social mission is respected.

The General Partner is the company SIDIGestion SAS, which includes four founding shareholders of SIDI, CCFD-Terre Solidaire and three religious congregations.

SIDI's governance is based on 3 COMPLEMENTARY BODIES

Board of Directors

3 members

Appointed by the General Partner, it validates the investment and TA proposals prepared by the operational team and ensures the management and administration of SIDI.

Dominique LESAFFRE
Chairman

Nicolaas HEEREN
Manager

Nathalie KLOPFENSTEIN
Manager

Strategic board

9 members

Appointed by the General Partner, it is responsible for approving and ensuring compliance with the ethical charter and the strategic plan.

Sylvie BUKHARI DE PONTUAL
CCFD-Terre Solidaire

Patrick SAURAT
CCFD-Terre Solidaire

Françoise BEAUMONT
Congrégation des Filles du Saint-Esprit

Guy EVERS
Epargne Solidarité Développement

Philippe LOIRET
Epargne Solidarité Développement

Catherine GRANIER
Congrégation des Sœurs Auxiliatrices

Anne-Marie MONNERAYE
Congrégation des Filles de Jésus de Kermaria

Gabriele GIUGLIETTI
Banca Popolare Etica

Geneviève GUÉNARD
SIDIGestion SAS

Board of Trustees

10 members

Composed of limited partners appointed by the General Assembly, it ensures the permanent control of the company's management. It submits an annual report to the shareholders on the financial statements and governance of SIDI.

Philippe LOIRET
Chairman

Mohamed-Ali MZALI
Caisse des Dépôts et Consignations

Sylvie BOURNAZEL
Crédit Coopératif

Philippe COQUART

Maëlle DUQUOC
Epargne Solidarité Développement

François LEGAC

Hocine TANDJAOUI

Marc RAFFINOT

Benoît MONSAINGEON

Jacques DEMONSANT



The team as of 31 Dec. 2021



Dominique LESAFFRE
Chief Executive Officer



Anne-Sophie BOUGOUIN
Chief finance officer / FEFISOL
Managing director



Joan PENCHE
Chief operations officer



Irina CRACIUN
Head of legal and compliance



Julie TORRES-SZANTYR
Capacity building and TA manager



Gabrielle ORLIANGE
Social and environmental
performance manager



Isabelle BRUN
External communications manager



Laurent CHÉREAU
Shareholder relations /
administration manager



Silvia CORNACCHIA
FEFISOL portfolio coordinator



Catherine BELLIN-SCHULZ
Investment officer and consultant
facilitator



Cristina ALVAREZ
Investment officer



Jean-Marie CAVARROC
Investment officer



Emmanuel VUILLOD
Investment officer



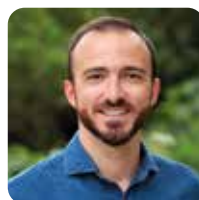
Jean-Baptiste COUSIN
Investment officer



Philippe MASSEBIAU
Investment officer



Natasha OLMÍ
Investment officer



Johan THUARD
Investment officer



Anna Ciccotti
Co-financing and technical
assistance officer



Anaïs DUFOUR
Investment and S&E officer



Ariane BEVIERRE
Social and Environmental
Performance analyst



Erkan KARAOGLAN
Accounting and portfolio manager



Iness NOUIRA
FEFISOL administrative and
accounting manager



Dominique PASSARIELLO
Operations assistant



Aïda ALARCON-SANCHEZ
Operations assistant



Céline VIDAL
Shareholder relations and
administration assistant

Balance sheet as of 31 Dec. 2021

In thousands of euros

ASSETS	EXERCISE as of 31 Dec. 2021	2020	LIABILITIES	EXERCISE as of 31 Dec. 2021	2020
FIXED ASSETS			EQUITY		
INTANGIBLE ASSETS	1	8	Capital	33 995	31 321
TANGIBLE ASSETS			Reservations:		
Facilities, fittings	17	23	Legal reserve	2 287	2 287
Office and computer equipment	13	19	Other reserves (ESUS)	2 543	2 543
FINANCIAL ASSETS			Reserves dedicated to portfolio risks	768	766
Holdings	17 778	20 119	Retained earnings	838	831
Loans	14 364	13 680	Result	236	10
Other financial assets	105	105			
Accrued interest on loans	30	31			
TOTAL (I)	32 307	33 985	TOTAL (I)	40 668	37 757
CURRENT ASSETS	-	-	PROVISIONS		
			Risk provisions	529	112
			Other provisions	209	241
			TOTAL (II)	738	353
RECEIVABLES					
Clients	-	59	DEBTS		
			CCA - Shareholders	4	10
Co-financing	420	-	Shareholder - SIDIgestion	10	10
			CCA - Guarantee Fund (FID)	5 639	4 741
Advances on portfolio	538	672	CCA - Legal persons	874	874
Products to receive	1 080	380	CCA - Natural persons	5	335
Other receivables	4	10	Loans	3 084	3 739
			Other financial debts	753	820
			Subtotal Long-term debts	10 369	10 529
TREASURY			Trade payables and related accounts	115	90
Investment securities	8 273	9 100	Social and tax debts	334	389
Liquid assets	11 242	5 767	Investments to be made	300	622
Treasury	2	4	Other debts	31	19
			Subtotal Current debts	780	1 122
REGULARISATION ACCOUNT			REGULARISATION ACCOUNT		
Prepaid expenses	17	23	Prepaid income	1 337	350
Active conversion gap	8	112			
TOTAL (II)	21 584	16 126	TOTAL (III)	12 486	12 001
GENERAL TOTAL (I to II)	53 891	50 111	GENERAL TOTAL (I to III)	53 891	50 111

Decrease due to the liquidation of the FEFISOL I fund

Balance receivable for the SSNUP, support fund for producer organisations

Of which 2020 dividends receivable

SIDI's treasury consists in particular of:

- the FID (€4,7 million)
- the BNP guarantee envelope (€700,000 for the financing of guarantees)
- technical assistance funds from FEFISOL, FIFAD and SSNUP (€1,2 million)
- its current accounts (€10 million, up by €4 million due to the liquidation of FEFISOL I)

The remainder is invested in savings products, which allows SIDI to quickly meet financing requests.

« Fonds d'Incitation au Développement » : guarantee fund backed by CCFD-Terre Solidaire and a Congregation to cover the main risks associated with SIDI being a social investor

Of which €3.5m from solidarity savings funds

Line of credit opened with Banca Etica to support SIDI partners in Mali

SA SOFIDEDEC BAKER TILLY, statutory auditor, member of the Paris CRCC, represented by the statutory auditor Jean-Yves MACE, certified without reservation the annual accounts of SIDI, closed on December 31, 2021.

Income statement at 31 Dec. 2021

In thousands of euros

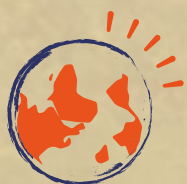
	2021	2020	
Produits d'exploitation			
CCFD - Terre Solidaire services	821	881	Contribution of CCFD-Terre Solidaire (linked to the income of the « <i>faim et développement</i> » Mutual Fund) to fund non-financial support to partners
Other services	93	230	Management mandate of the FEFISOL fund
Cofinancing to support partners	333	240	Amounts committed in 2021 for support to partners provided by FIFAD (p.25)
Cofinancing FEFISOL Technical Assistance Facility	161	270	Amounts committed in 2021 for support to partners provided by FEFISOL
Subtotal - revenues	1 408	1 621	
Portfolio income (attendance fees, commissions, etc.)	156	106	
Re-invoicing of charges	19	8	
Other operating income	52	25	
Reversals of operating provisions	43	-	
Total operating income	1 677	1 760	
Operating expenses			
Personnel expenses	1 927	1 852	
Mission expenses	77	63	
External services	280	214	
Expenses & transfers to projects linked to co-financing	333	240	Corresponds to co-financing » from FIFAD recorded in income
Expenses related to the FEFISOL TA Facility	161	271	Corresponds to «co-financing FEFISOL TA facility» recorded in income
Other operating expenses	205	187	
Taxes and similar payments	145	134	
Depreciation and amortization	28	37	
Allocations to operating provisions	10	17	
Total operating expenses	3 167	3 015	Of which 64% in partnership expenses
Operating result	-1 489	-1 255	
Financial income			
Loan Portfolio Income - Gross Interest	1 014	806	
Income from equity investments - Dividends	1 229	1 149	
Investment income	69	103	Income from cash investments and the « <i>Fonds d'Incitation au Développement</i> »
Foreign exchange gains on the portfolio	117	10	
Unrealised foreign exchange gains	125	-	
Reversal of provisions on the portfolio	261	40	
Reversal of provisions (other)	114	25	
Financial income (other)	27	0	
Total financial income	2 957	2 134	
Financial expenses			
Interest on loans	60	84	
Exchange losses on the portfolio	284	181	
Exchange losses (unrealised)	1	22	
Losses related to the portfolio (write-offs, etc.)	14	0	
Losses on disposal of marketable securities	7	24	
Allocation of portfolio provisions	761	519	
Allocation provisions (other)	125	38	
Total financial expenses	1 252	869	
Financial income	1 705	1 265	
Exceptional revenue	339	-	
Exceptional expenses	319	-	Refers to two transfers from partnerships that have come to an end
Exceptional income	-	-	
Income taxes	-	-	
Net profit	236	10	

Partners

MEDITERRANEAN BASIN	COUNTRY	PARTNER	TYPE	SIDI FUNDING IN 2021 (€)	SIDI PORTFOLIO AT 31/12/2021
	Med. Basin	COOPMED	Fund	26 408 € (décaissés en 2022)	526 408
	Lebanon	ALMAJMOUA	Microfinance Institution		876 501
		FTTL	Social Business (Agriculture)		383 513
	Morocco	AL AMANA	Microfinance Institution		
		ATTADAMOUNE	Microfinance Institution		300 000
	Palestine	ACAD FINANCE	Microfinance Institution		559 832
		ASALA	Microfinance Institution		
		DAMAN	Refinancing Institution		104 497
	Tunisia	BENI GHREB	PO (Market gardening / Fruits)	300 000	300 000
		ENDA TAMWEEL	Microfinance Institution	522 940	1 193 373
LATIN AMERICA AND THE CARIBBEAN	Central America	SICSA	Refinancing Institution	430 182	1 520 004
	Bolivia	IMPRO	Microfinance Institution	176 741	311 017
		SEMBRAR SARTAWI	Microfinance Institution		1 016 897
	Chile	FINANCOOP	Microfinance Institution		
	Colombia	CENCOIC	PO (Coffee)		
		CONSOLIDAR	Microfinance Institution		100 220
	Ecuador	BANCO CODESARROLLO	Microfinance Institution	21 321	1 901 373
		BANCOSOLIDARIO	Microfinance Institution		
		CAAP	Refinancing Institution		
		COPROBICH	PO (Cereals / Oilseeds)		
	Haïti	COOPCAB	PO (Coffee)		
		FECCANO	PO (Cocoa)		
		KNFP	Muso Promoter		
		KOFIP	Muso Promoter		
	Nicaragua	Financiera FDL	Microfinance Institution		1 826 352
	Peru	CAFE PERU	Social Business (Coffee)	329 897	841 195
		CREDIFLORIDA	Microfinance Institution		244 980
		FORTALECER	Refinancing Institution		455 188
		PROEMPRESA	Microfinance Institution		1 137 438
EUROPE	Kosovo	KRK	Microfinance Institution	2 000 000	2 339 977
	Moldova	MICROINVEST	Microfinance Institution		187 062
ASIA	South East Asia	PHITRUST ASIA	Refinancing Institution	99 427	99 427
	Laos	FONDS COOPERATIF	Microfinance Institution		153 476
SUB-SAHARAN AFRICA	East Africa (Uganda, Kenya, Burundi)	SOLUTI	Fund	2 152 309	7 642 418
	Continent	FEFISOL	Fund		97 314
		FEFISOL2	Fund	15 000	15 000
		MAIN	Network		
	South Africa	SEF	Microfinance Institution		
	Benin	RENACA	Microfinance Institution		121 959
		TOLARO	PO (Cashew)		
	Burkina-Faso	ACEP Burkina	Microfinance Institution	1 349 387	1 349 387
		ASIENA	Microfinance Institution		
		BIOPROTECT	PO (Cereals / Oilseeds)	75 000	75 000
		GEBANA Burkina	PO (Mango, Cashew)	600 000	
		PAMF Burkina	Microfinance Institution		
		PRODIA	Microfinance Institution		355 714
		SINCO	Social Business (Energy)		34 486
		SINERGI BURKINA	Refinancing Institution		152 449

* New partner

COUNTRY	PARTNER	TYPE	SIDI FUNDING IN 2021 (€)	SIDI PORTFOLIO AT 31/12/2021 (€)
Burkina Faso	UBTEC	Microfinance Institution		
	VIIM BAORE	PO (Cereals / Oilseeds)		
Burundi	CAPAD	Muso Promoter		
	COPED	Muso Promoter		
	ISHAKA MICROFINANCE	Microfinance Institution		43 842
	SOCOFA	Social Business (Cereals)		
Cameroon	CECAW	Microfinance Institution		
Congo	CAPPED	Microfinance Institution		
Côte d'Ivoire	ECAM	PO (Cocoa)	230 000	230 000
	ECOCAJOU	PO (Cashew)		
	SOCOOPACDI	PO (Cocoa)		
Ethiopia	BUUSAA GONOFEE	Microfinance Institution		
	HARBU	Microfinance Institution		
Guinea	CRG	Microfinance Institution		171 576
	WOKO	PO (Coffee)		
Kenya	ECLOF	Microfinance Institution		
Madagascar	NUTRIZAZA	Social Business (Nutrition)		107 455
	PHILEOL	Social Business (Oilseeds)		
	SIPEM	Microfinance Institution		272 927
	UCLS	PO (Cocoa)	200 000	106 125
	VAHATRA	Microfinance Institution	101 887	101 887
Malawi	MLF MALAWI	Microfinance Institution		
Mali	AOPP	PO (Cereals / Oilseeds)		
	BMS SA	Refinancing Institution		552 469
	KAFO JIGINEW	Microfinance Institution		726 192
	NYESIGISO	Microfinance Institution	300 000 € (décaissés en 2022)	604 899
Mozambique	CONFIANÇA	Microfinance Institution		140 222
	IKURU	PO (Cereals / Oilseeds)		123 688
Niger	ACEP NIGER	Microfinance Institution	304 898	525 102
	FCMN-NIYA	PO (Market gardening / Fruits)		189 472
	FUCOPRI	PO (Cereals / Oilseeds)		
	SINERGI	Refinancing Institution		125 770
	TAANADI COOPERATIVE	Microfinance Institution		
Uganda	ACPCU	PO (Coffee)	417 538	417 538
	CENTENARY BANK	Microfinance Institution		430 706
	HOFOKAM	Microfinance Institution		
	KATERERA	PO (Cereals / Oilseeds)		128 420
	KIBINGE	PO (Coffee)		
	SEMULIKI	PO (Cocoa)		114 191
	UGAFODE	Microfinance Institution		
Democratic Republic of the Congo	ABKC	PO (Coffee)		
	CCRD	Microfinance Institution		17 645
	COOCEC	Refinancing Institution		
	CPNCK	PO (Coffee)	181 158	32 733
	EALE	Muso Promoter		
	HEKIMA	Microfinance Institution	344 145	344 145
	KALUNDU	Microfinance Institution		
	KAWA KABUYA	PO (Coffee)		16 757
	MUSO BUKAVU	Muso Promoter		
	MUSO UVIRA	Muso Promoter		
	MUUNGANO	PO (Coffee)	230 608	
	PAIDEK	Microfinance Institution		
Rwanda	ABAKUNDAKAWA	PO (Coffee)	67 966	
	BUHANGA	PO (Coffee)		
	KOPAKAMA	PO (Coffee)	211 416	104 314
Senegal	KAYER	Social Business (Energy)		22 868
	PAMECAS	Microfinance Institution		307 692
	SENFINANCES	Refinancing Institution		
Tanzania	AKIBA	Microfinance Institution		
	BIOTAN	PO (Cereals / Oilseeds)	600 000	600 000
	MUCOBA	Microfinance Institution		57 904
	MVIWAMBI	PO (Coffee)		113 724
	YETU	Microfinance Institution		435 800
Togo	ASSILASSIME	Microfinance Institution	304 898	426 857
	FECECAV	Microfinance Institution		3 361
	GEBANA TOGO	Social Business (Mango / Cashew))	300 000	300 000
	UCMECS	Microfinance Institution		
	WAGES	Microfinance Institution		
Zambia	FOREST FRUITS	Social Business (Tea / Spices / Honey)	441 852	441 852
Zimbabwe	UNTU	Microfinance Institution		



SIDI

www.sidi.fr

SIDI IS A MEMBER OF THE FOLLOWING NETWORKS



INAISE

febea 



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Impacter
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