

# *Hivos-Triodos Fund Foundation*

ANNUAL REPORT 2006

**Hivos-Triodos Fund**



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## OBJECTIVE

The Hivos-Triodos Fund (HTF) Foundation was formed on 22 December 1994 by the Hivos Foundation and Triodos Fund Foundation. The objective is described in the Articles of Association as follows (article 2):

‘The Foundation’s object is to provide guarantees and loans to, as well as to bear the risk of participating in projects, enterprises and institutions in the area of development cooperation, all this in the broadest sense of the term. The foundation is a non-profit organisation’.

## STRUCTURE AND COMPOSITION

HTF’s Board of Management consists of Peter Blom and Pierre Aeby, who are both members of the Board of Management of Triodos Bank *nv*. The Board of Management is appointed, suspended and discharged by the Supervisory Board, which also supervises HTF policy and approves the Annual Accounts. The Supervisory Board is appointed by the Hivos Foundation and consists of Pauline Bieringa, Philip de Haan, Pieter van den Kerkhoff (Chairman), Manuela Monteiro, Herman Schoemaker and Marc Woltering.

A contract has been entered into with Triodos Investment Management *bv* for the management and practical implementation of the policy. This private limited company is managed by Marilou van Golstein Brouwers and Hans Schut. The Fund Manager is Frank Streppel.

## MODE OF OPERATION

New applications within the Fund are assessed for both financial criteria as well as for the impact the business activities of these organisations will have in social and environmental terms. The staff of Hivos and Triodos use their expertise to play a specific role in this process. The Hivos Foundation evaluates the applications for development relevancy. A positive evaluation is a precondition for providing credit or making an investment. Triodos Bank staff then assess applications for their financial and institutional criteria.

Both the intake by the Hivos Foundation and the financing proposal of Triodos Bank are submitted to the credit committee of HTF. Representatives of both the Hivos Foundation and Triodos Bank *nv* are members of this credit committee. Final responsibility lies with the Board of Management.

HTF is responsible for the management of the portfolio. At least once a year every borrower undergoes an annual review to assess whether or not the profile of the relationship still fits within the policy. The management and the further development of the portfolio takes place in close consultation with the Hivos Foundation. The regional offices in Harare (Zimbabwe), Bangalore (India), Jakarta (Indonesia), and San José (Costa Rica), as well as the responsible members of staff at the head office of the Hivos Foundation play an important role in this process.

# *Report of the Supervisory Board*

The Board has approved the 2006 Annual Report and Accounts of the Hivos-Triodos Fund Foundation. The result for 2006 amounts to EUR 1,021,653 negative (2005: EUR 964,909 positive). This amount consists of an operating profit of EUR 1,235,766 (2005: EUR 500,011), which was added entirely to the generic provision, and a negative exchange rate result of EUR 1,021,653 (2005: EUR 464,898 positive). This exchange rate result was off-set initially by the Exchange Rate Differences Reserve of EUR 464,898 established in 2005. The remaining amount of EUR 556,755 will be, as agreed, compensated by the Hivos Foundation.

Since the entire addition to the generic provision was set off against the operating result, no appeal was made to the private guarantors during this year.

Zeist, 27 March 2007

P.G.A. van den Kerkhoff  
*Chairman*

## KAZAKHSTAN LOAN FUND IN KAZAKHSTAN



*Kazakhstan Loan Fund has developed into the market leading microcredit institution in Kazakhstan, serving almost the entire country from its six offices in the major cities and mobile branches in the countryside. One of KLF's clients is Umbetova Gulnazira, who has a sales point at the central market.*

# *Annual Report of the Board of Management*

## GENERAL

HTF is a unique Public – Private partnership (PPP), and one in which the resources and know-how of the Hivos Foundation (hereinafter called Hivos) in the field of development cooperation have been combined with Triodos Bank's banking and fund management expertise. Through this powerful combination the Fund aims to make a real contribution to the realisation of one of the most important Millennium Development Goals: halving the number of people who have to survive on less than one dollar a day. HTF sees entrepreneurship as a catalyst and uses its investments for the development of a financial sector which is accessible to entrepreneurs from all income groups. In addition, the Fund focuses on the development of small-scale, preferably organic, agriculture through the stimulation of fair trade.

HTF made good progress in 2006. The Fund went through another period of strong growth. Compared with 2005 the total portfolio of HTF grew by 24.4% from EUR 24,351,103 to EUR 30,289,407. New loans have been provided to 20 microfinance institutions, seven of which to new partners. New trade finance agreements have been entered into with 10 organisations, two of which with new partners. Four participations were increased. HTF has a total of 70 contracts with 53 partners.

### **The development of a financial sector which is accessible to all income groups**

Access to credit and other financial services, such as savings and payment facilities, for all income groups is an essential basis for sustainable social-economic development. With a loan – sometimes no more than 50 or 100 euro – people can use their talents, generate a better income, and create jobs. However, if entrepreneurship is hindered by poor access to credit, this will obstruct the economic development of a country. In many countries, only a limited part of the population has access to formal financial services. It is estimated, for example, that in sub-Sahara Africa this is less than 20%, and in many rural areas this percentage is even lower.

Just as important is access to savings products. It offers people the possibility of safely putting aside their savings, and allows them to create a buffer, for example to pay for school fees or for unexpected events such as illness or a poor harvest.

Furthermore, efficient payment facilities and national and international money transfers are also of great importance for economic development. The money that people who live and work in the city transfer to family members in the countryside is essential for the development of rural areas. In many countries where HTF is active, remittances from family members living in foreign countries are one of the most important sources of income in the country.

The important role microfinance plays in the fight against poverty is being recognised more and more. Microfinance is also increasingly becoming a fully accepted and integrated part of the financial sector of a country. There is a great diversity of providers in microfinance, ranging from banks, insurance companies and cooperatives to microfinance institutions (MFIs) and non-governmental organisations (NGOs). In order to create greater access to financial services on a structural basis in the future, it is important that all these providers play their part in the further development of microfinance. HTF sees its own role as a financier to institutions that provide financial services to lower income groups and less accessible markets. With financing from HTF, these organisations are able to expand their loan portfolio and meet the big demand from (start-up) businesses. A side-effect of microfinance is the strengthening effect it has on the social and economic position of women. They gain control over their own source of income, often for the first time, and often use the income generated for their children's health care and education.

RAINFOREST EXQUISITE PRODUCTS S.A. IN BOLIVIA



*Rainforest Exquisite Products SA (REPSA) is a small-scale Bolivian company that focuses on the production and export of sustainable forest products from northeast Bolivia. REPSA products include certified organic Brazil nuts, cacao and coffee. Hivos-Triodos Fund has provided a trade finance to REPSA.*

### **Development of small-scale, preferably organic, agriculture through the stimulation of fair trade**

The absence of distribution channels is often one of the major limitations for small-scale farmers when it comes to generating good and stable sources of income. Moreover, access to export markets is made difficult by costs, regulations, and limited liquidity.

By providing trade finance, HTF stimulates the export of organic and/or fair trade certified products. The pre-financing of export contracts allows exporters to pay their suppliers – often small-scale farmers – on time, so that a long-term relationship is built up and these farmers gain access to export markets.

### **Positioning of HTF and core activities**

The collaboration with Hivos and private guarantors allows HTF to adopt a fairly high risk profile and to finance precisely those organisations that are developing strongly. HTF has developed, in collaboration with Hivos the Life Cycle Model based on the needs that an organisation has in the various phases of development.

In its *first stage of development* an organisation generally needs donations, to supplement insufficient revenues thereby allowing the organisation to grow by investing in for example its infrastructure. To this end, the Hivos Seed Capital programme has been developed for the microfinance sector. Programmes to assist exporters in the building-up of sustainable management are also developed in the field of fair trade. Triodos Bank investment officers can play an advisory role in this respect. HTF does not yet play a role as a financier in this phase.

In the subsequent *growth phase* HTF is able to finance the organisation, while Hivos can, where necessary, continue to support specific needs of the organisation by means of funds for technical assistance.

In the event of further *professionalisation* and growth, the organisation will be increasingly able to attract finance on the capital market. Triodos Fair Share Fund (TFSF) is one of the providers in this market. HTF considers TFSF as an important resource that MFIs can access as they grow into more independent organisations.

The advantage for both Hivos and HTF is that with this Life Cycle Model funds are regularly made available and can be used to finance new initiatives.

**The development at HTF partner Kazakhstan Loan Fund (KLF) in Kazakhstan is a good example of the Life Cycle Model used by HTF.**

The Hivos Foundation has financially supported this non-governmental organisation since the beginning of KLF's existence via the Hivos Seed Capital programme. This allowed KLF to build up a solid foundation for further growth. HTF provided its first loan to KLF in 2003 and has followed the developments at KLF closely since then. KLF has since grown to become the largest provider of microcredit in Kazakhstan, and provides both individual and group loans to small-scale businesses active in trade, manufacturing and services. At the end of 2006, the organisation had more than 22,000 clients, of which the majority were women (78%). KLF now finds itself in the transformation process to become a regulated microfinance bank, which will allow it to expand its products and services even further. HTF aims to continue supporting KLF in the realisation of this ambitious objective.

With this relatively high risk profile – in which the guarantors play an important role – and the policy associated with it, HTF distinguishes itself from many other providers. Its distinctive profile is characterised by:

- A high percentage of finance provided to (currently) non-regulated institutions (67% of the HTF portfolio at year-end 2006).
- The ability to provide finance to organisations that are not yet completely financially viable.
- A relatively low average loan size (average outstanding finance contract at year-end 2006: EUR 378,359).
- A high percentage of the portfolio outstanding in local currency (52.4% at year-end 2006).
- A high percentage of the portfolio outstanding in vulnerable markets (in particular Africa; 34% at year-end 2006).
- A major focus on relatively young, innovative and promising MFIs.

**Perspective for women in South Africa**

The Small Enterprise Foundation (SEF), a partner of HTF for some years now, provides loans to women from the lowest income groups in Limpopo, a province in the northeast of South Africa. Access to credit not only gives these women the possibility of developing their own talents and generating income, but also a chance to improve their social position. With finance from the Hivos-Triodos Fund, SEF can now further expand its loan portfolio.

Limpopo is one of the poorest areas of South Africa and is a region that has been severely affected by the HIV/AIDS pandemic. SEF not only offers credit opportunities, it has also started up an AIDS programme that is jointly financed by Hivos. SEF clients are given education about prevention and the consequences of HIV/AIDS. Research has shown that as a result of this programme SEF's clients are better able to protect themselves against the risks of HIV/AIDS.

*This project illustrates the powerful and mutually supportive combination of the banking expertise of Triodos Bank and the Hivos' knowledge and resources in the field of international development.*

HTF distinguishes itself, moreover, from many other providers because of its banking expertise and approach. This meets the needs of many institutions for whom HTF is a professional and reliable partner who, in addition to providing finance, also offers access to international networks and know-how, which it makes available through its various programmes.

For example, one of the priorities of HTF is to promote the exchange of knowledge and expertise between MFIs worldwide. In October 2006, Triodos Investment Management organised for the third consecutive year an international workshop with representatives from a number of microfinance banks in Africa, Latin America, and Asia. HTF is a shareholder in several of these banks. The participants discussed two themes within the microfinance sector, namely 'Growth, New Shareholders & Identity' and 'Banking on Values'. This latter theme was a continuation of the Transparency and Sustainability in Finance project that Triodos started in collaboration with the Global Reporting Initiative (GRI) in 2004. In this project, the participating microfinance banks are guided through the process of reporting in accordance with the GRI guidelines, in which annual results are presented in a transparent way in financial, social, and environmental terms. HTF sees this project as a very concrete example of how the experience of Triodos Bank in the field of Triple Bottom Line banking can be used to promote the concept of People, Planet and Profit. Hivos has also supported this initiative financially. The next step is to use sustainability reporting to develop an integrated concept of 'Banking on Values'.

Furthermore, funds were made available by the European Union, the DOEN Foundation, and the Triodos Foundation for the development and implementation of a capacity building programme for MFIs in Africa who want to expand their knowledge and skills in the field of risk management and sustainability reporting. This project – called SMARTRAC – is being carried out in collaboration with international consultants from the consultancy firm FACET BV and local consultants in the countries of the participating institutions.

HTF is also partnering with other organisations to increase the added value of its financing. One example is the 'Bankers for Bankers' programme, a collaboration between the initiator FMO (The Netherlands Development Finance Company), PUM (Netherlands senior experts) and Triodos Bank, which was launched as a pilot in late 2006. In this programme, experienced Dutch bankers act as mentors for senior management of MFIs worldwide, and look at the strategic issues facing these institutions. In November 2007, an evaluation will take place to decide whether or not, and in what form, the programme should be continued.

#### **Developments in 2006: Nobel Peace Prize awarded to Muhammad Yunus**

Following on from 2005, proclaimed as the International Year of Microcredit by the United Nations, microfinance continued to be in the spotlight in 2006. Particularly the awarding of the Nobel Peace Prize to Muhammad Yunus, the Bengali economist who is seen as the founder of microcredit, and the Grameen Bank, played a large part in this. HTF sees this award as an important acknowledgement of the stimulating role of microfinance in the fight against poverty. It indicates that the impact of microcredit or microfinance is much wider than its mere economic aspect. The fact that the Nobel *Peace* Prize was awarded implies an acknowledgement of the relationship between poverty and peace. By reducing the gap between rich and poor, chances of a peaceful society are improved.

However, poverty has many causes. Microfinance is not the only solution but can be part of it. Microfinance has a stimulating role when people are capable of making a living as an entrepreneur. But development aid in the form of donations is still necessary in order to finance crucial areas, such as education, health care, infrastructure, and the legal system as long as national budgets are insufficient. The current world trade system is also a barrier, particularly in relation to the export of products. For example, access to Western markets is protected, particularly for agricultural products, even though Western countries still export to developing countries. Until this has been brought into balance, Fair Trade will remain essential.

SMALL ENTERPRISE FOUNDATION IN SOUTH AFRICA



*Small Enterprise Foundation in South Africa provides loans to women from the lowest income groups in the Limpopo province. One of the clients is Mohlala Illen Ramokoni. With a loan from SEF she has started an own shop in which she sells clothing, fruit and vegetables.*

FOTO: KATIE BUTLER DE WIT

Now that microfinance is receiving so much attention, the number of funds, banks, institutions, and development organisations that want to invest in this sector is growing rapidly. That in itself is a positive development, but it also has a number of disadvantages. The success of microfinance stands or falls with the capacity and soundness of the MFIs. An excess of available (inexpensive) finance, and consequently too rapid growth, can lead to loans being provided too easily or managed less carefully. Another risk is that a large amount of money available from the West will prevent local financing in the form of savings or bonds. HTF places a great deal of value precisely on MFIs, which are regulated and under the supervision of the Central Bank, mobilising local funding by, for example, offering savings products. Not only because in this way the institutions meet the needs of clients who want to put away their savings safely, but also because this is ultimately the most sustainable form of financing. The money begins to circulate locally, stimulating the local economy.

## PORTFOLIO DEVELOPMENT

The total portfolio of HTF, consisting of participations, cumulative preference shares, loans, guarantees, and trade financing (without deduction of provisions and inclusive of receivables from finance projects) rose by 24.4% in 2006 from EUR 24,351,103 to EUR 30,289,407. HTF has a total of 70 outstanding finance contracts with 53 partners.

The five largest outstanding finance contracts of the HTF portfolio are:

Bellwether Microfinance Fund	India	9.7%
K-Rep Bank Ltd	Kenya	5.4%
Mibanco	Peru	5.2%
Mi-Bospo	Bosnia & Herzegovina	4.6%
Edpymes Confianza	Peru	3.8%

### Participations

Unlike with loans, participations are financed by means of an interest-free subordinated loan from Hivos. As such, Hivos bears the full risk of the participations, but is also the beneficiary of the return on these investments. In 2006, HTF received a total sum of EUR 502,856 in dividends and other income from participations (2005: EUR 385,182).

Generally HTF has an interest of between 5% and 20% of the shares in an MFI. A Triodos Bank senior co-worker is usually a member of the Board of Directors of the institution and makes a very active contribution to the development of the MFI. Contributions made to the Board of Directors focus on strategic, banking and governance issues that are based on the 'Banking on Values' principle.

In 2006, five existing participations were increased. The success of the Bellwether Microfinance Fund in India as a catalyst for innovation in the microfinance sector has resulted in the rapid development of the investment portfolio. At the end of 2006, HTF decided to purchase additional preference shares in order to make further growth possible.

Other increases of participations in MFIs include Findesa in Nicaragua, Mibanco in Peru, and FIE in Bolivia. Finally, funds were disbursed to a previously committed investment in AfriCap Microfinance Fund. All participations are described in detail in the project descriptions on pages 40 up to 44.

### Loans

HTF provides loans to MFIs that primarily provide credit to small businesses. Generally, HTF finances the growth of the loan portfolio of an MFI with medium-term loans (a term of two to three years) at market conditions.

## INTERNATIONAL WORKSHOP



*In October 2006 Triodos Investment Management organised for the third consecutive year an international workshop with representatives from a number of microfinance institutions from Africa, Latin America and Asia. Hivos-Triodos Fund is shareholder in several of these institutions.*

New loans have been provided to 18 MFIs, of which eight were new partners. The new partners include Bandari Sacco in Kenya, Pride Tanzania in Tanzania, Marang Financial Services in South Africa, Finca Ecuador in Ecuador, Apoyo Integral in El Salvador, Pro Mujer in Bolivia, ODEF/OPDF in Honduras, and Bereke in Kazakhstan.

These new partners fit excellently within the HTF policy: they are mainly non-regulated organisations that largely focus on low income groups, mainly in rural areas. Moreover, these organisations have the potential to develop into fully independent financial institutions.

Mr Kimanathi Mutua, CEO K-Rep Bank in Kenya: 'Today, the world has many funds for supporting microfinance institutions or banks. Literally, a new one pops up almost every other month. One would be tempted to conclude therefore that the problems of access to funds are a thing of the past. Not so. Despite this proliferation, access remains a problem, particularly for African MFIs. Most, if not all, of the funds cannot make local currency loans, forcing MFIs to take risks beyond their capacity to mitigate. Yet they invest in equity which carries currency risks. Hivos-Triodos Fund is a leader and role model worth emulating, in this regard. Its ability to make loans in local currencies has set it apart from most funds, as does its quick and efficient turnaround time.'

The MFIs financed by HTF generally developed very well in 2006 and went through a period of strong growth. The table on pages 16 and 17 shows the growth of the loan portfolio, the number of clients of these institutions and the average loan size.

#### **Trade finance**

In 2006, a total of EUR 3,522,551 (2005: EUR 2,380,841) in trade finance was disbursed to in total ten relations. Examples of financed certified organic or Fair Trade products include coffee from Latin America and Africa, soy from Brazil, sesame and cotton from Uganda, and fruit from Eastern Europe. In 2006, new trade finance contracts were entered into for certified organic wild cocoa, Brazil nuts and sesame from Bolivia.

A trade finance contract consists of a three-party contract between the importer, exporter and the financier. In this, it is agreed that the importer makes payment to the exporter through an HTF account, from which the financing is repaid to HTF. Trade finance is provided for the period between the harvest and the payment by the buyer, and can vary from three to twelve months. This financing bridges the liquidity gap resulting from seasonal influences.

## **FINANCIAL RESULTS**

### **Balance sheet as at 31 December 2006**

The total HTF portfolio rose by 24.4% to EUR 30,289,407. As at the end of 2006, 27.4% of the portfolio consisted of participations, 65.5% of loans and 7.1% of trade finance.

In light of the early fast development of microfinance in Latin America, HTF has traditionally had a strong presence in this region. In accordance with its policy, HTF has diversified the portfolio in recent years, as a result of which, the rate of growth in other regions, especially the investments in Africa, has increased. This trend continued in 2006.

OVERVIEW OF MICROFINANCE INSTITUTIONS FINANCED BY HIVOS-TRIODOS FUND AS AT

<i>Institution</i>	<i>Country</i>	<i>Number of loan clients</i>	
		2006	2005
Akiba Commercial Bank	Tanzania	15,528	15,614
AMC	El Salvador	11,371	9,516
AMRET	Cambodia	141,957	121,699
Apoyo Integral	El Salvador	26,856	***
Bai Tushum	Kyrgyzstan	4,916	3,663
Bandari Sacco*	Kenya	5,415	***
Banco Solidario	Ecuador	149,490	153,452
Bereke	Kazakhstan	4,015	***
Bhartiya Samruddhi Finance	India	192,566	135,443
Cashpor	India	**	103,714
Centenary Bank	Uganda	68,359	58,018
Credito Amigo s.A.	Bolivia	3,703	3,365
Edpymes Confianza	Peru	33,739	24,132
Edpymes Crear Tacna s.A.	Peru	9,426	7,934
FAMA	Nicaragua	**	38,586
FDL	Nicaragua	61,555	48,261
FFP FIE	Bolivia	71,334	56,446
FINCA Ecuador	Ecuador	51,195	43,140
FINCA Uganda	Uganda	46,236	42,382
FINCA Tanzania	Tanzania	37,900	44,659
Findesa	Nicaragua	49,395	29,561
Kazakhstan Loan Fund	Kazakhstan	22,388	16,436
K-Rep Bank	Kenya	50,017	30,355
KSPPP Nganjuk (voorheen YPP)	Indonesia	****	3,361
Marang Financial Services	South Africa	22,305	***
Mibanco	Peru	221,802	151,149
Mi-Bospo	Bosnia Herzegovina	19,412	14,272
Fundación José Nieborowski	Nicaragua	22,259	19,790
Edpymes Nueva Vision	Peru	8,629	6,747
ODEF ODPF	Honduras	17,023	***
Edpymes Proempresa	Peru	22,162	14,392
FFP Prodem	Bolivia	77,476	68,786
Pride Tanzania	Tanzania	89,895	***
Pro Mujer	Bolivia	74,106	***
Share	India	**	754,525
Small Enterprise Foundation	South Africa	37,985	31,765
Socrema	Mozambique	10,209	6,324
Thaneakea Phum Cambodia	Cambodia	56,007	43,338
Uganda Finance Trust	Uganda	15,629	17,052
Uganda Microfinance Ltd	Uganda	28,873	31,145
<b>Total</b>		<b>1,781,133</b>	<b>2,149,022</b>

Data provided by the institutions.

\* Information as at 30 September 2006

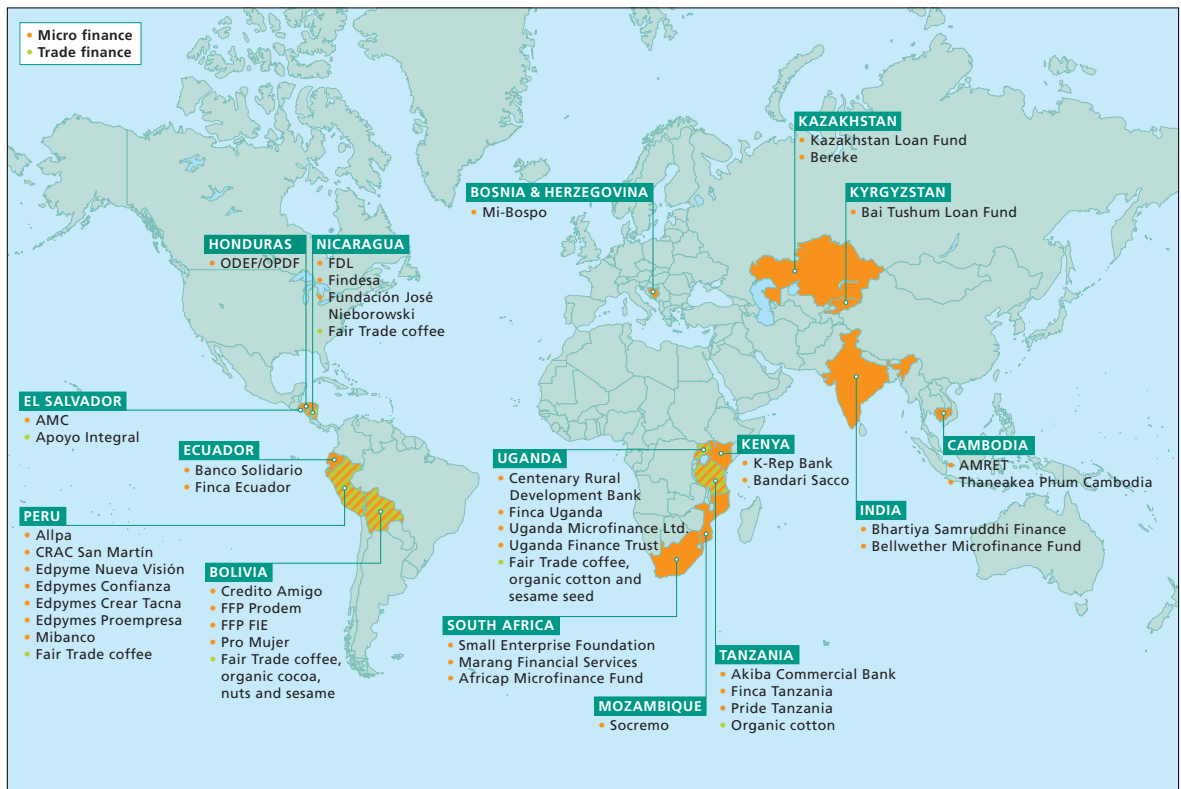
\*\*\* Not financed in 2005

\*\* Loan repaid or investment sold in 2006

\*\*\*\* No data available

<i>Percentage of women</i>		<i>Portfolio (USD x 1,000)</i>		<i>Average loan (USD)</i>	
2006	2005	2006	2005	2006	2005
****	****	14,701	17,728	947	1,135
64%	64%	9,669	6,573	850	691
82%	83%	17,524	11,299	123	93
73%	73%	26,926	***	1,003	***
****	40%	10,007	6,755	2,000	1,844
****	****	15,098	***	2,788	***
57%	55%	243,562	207,165	1,629	1,350
88%	91%	1,947	***	485	***
44%	32%	31,001	22,201	161	164
100%	100%	**	9,070	**	87
****	****	86,523	53,150	1,266	916
****	****	1,286	1,058	347	314
46%	50%	37,761	22,063	1,119	914
55%	54%	13,014	8,626	1,381	1,087
76%	76%	**	20,330	**	527
58%	59%	44,152	33,068	717	685
62%	47%	101,695	73,850	1,426	1,308
95%	87%	25,035	17,785	489	412
82%	89%	8,412	6,256	182	148
100%	97%	5,640	6,499	149	146
55%	55%	87,923	55,498	1,780	1,877
78%	79%	26,188	11,514	1,170	701
53%	55%	53,711	34,712	1,074	1,144
****	****	****	118	****	35
97%	****	3,755	***	168	***
55%	53%	319,978	206,606	1,443	1,367
100%	100%	24,410	15,592	1,257	1,092
54%	****	20,046	14,957	901	756
50%	****	7,353	5,400	852	800
64%	62%	14,225	***	836	***
45%	52%	17,882	11,648	807	809
50%	49%	135,491	108,944	1,749	1,584
62%	65%	15,274	***	170	***
100%	95%	13,562	***	183	***
100%	100%	**	88,714	**	118
99%	99%	5,986	4,873	158	153
49%	58%	10,352	5,020	1,014	794
89%	86%	7,194	4,427	128	53
70%	70%	7,753	7,398	496	434
43%	51%	13,777	11,257	477	361
		<u>1,478,813</u>	<u>1,110,154</u>		

INVESTMENTS HIVOS-TRIODOS FUND IN 2006



### Portfolio by region in euro

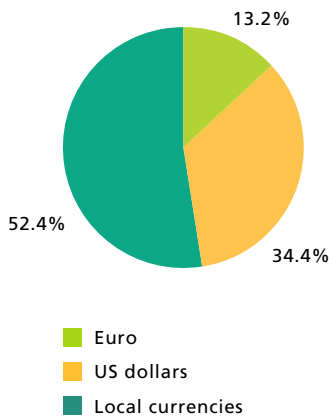
	31.12.2006	31.12.2005
Latin America & Caribbean region	11,782,365	10,039,166
Sub-Sahara Africa	10,457,969	8,681,472
East Asia and Pacific	1,759,084	1,019,339
Eastern Europe	1,400,000	1,383,333
South Asia	3,497,425	2,427,793
Central Asia	1,392,564	800,000
	<u>30,289,407</u>	<u>24,351,103</u>

The expansion of the portfolio has two finance sources:

1. Participations are financed by means of an interest-free subordinated loan from Hivos. The investment in specially classified preference shares is also financed by means of this construction.
2. For the remaining part HTF obtains finance from Triodos Bank by means of medium-term loans or an overdraft on a current account held with Triodos Bank, guaranteed by Hivos and private individuals.

### Profit and loss account 2006

As a result of an increased portfolio, the revenues after interest rose by 29.5% from EUR 1,192,260 to EUR 1,543,867. Furthermore, there was a one-off VAT gain under other income of EUR 401,776. The expenses include the management fee, public relation expenses, auditor's fees and other expenses. The operating result after deduction of these expenses rose from EUR 500,011 in 2005 to EUR 1,235,766 in 2006. This operating result was added entirely to the generic provision.



### Exchange rate result

The diagram alongside demonstrates that 52.4% of the portfolio is financing in local currencies (2005: 48.9%). This high percentage is characteristic for HTF. HTF can afford to take on this considerable risk because of its partnership with Hivos. It chooses to do so, because the mainly small-scale HTF partners are not able to carry or cover this risk themselves. A rise in value of local currencies against the euro results in exchange rate profits, whereas a reduction in value against the euro results in exchange rate losses.

The exchange rate result of HTF strongly depends on the development of the EUR-USD exchange rate. Although the direct currency risk for finance contracts in us dollars is hedged by means of currency forward transactions, many local currencies in which HTF provides finance are strongly influenced by the us dollar. Partly as a result of the fall in the us dollar compared to the euro in 2006, various local currencies have fallen in value compared to the euro. HTF, therefore, after accounting for the result of currency forward transactions, booked a negative exchange rate result of EUR 1,021,653. In 2005, a positive result was achieved of EUR 464,898, which was added to the exchange rate differences reserve. This reserve was used to cover the negative result in 2006. The remaining amount of EUR 556,755 will be, as agreed, compensated by Hivos.

### Addition to the generic provision

Using the yardstick of a reduced level of arrears, the quality of the portfolio of HTF continued to be high in spite of the deliberately high risk profile. In 2006, one addition to the specific provisions was made.

This was a trade finance that was provided to an exporter of organic essential oils in South Africa. A dam collapse after heavy rainfall caused serious damage to the planta-

tion, which meant production was halted and HTF's loan could not be paid back from the planned harvest. The entire amount, including accrued interest, was covered by the reserve. The possibility of resuming activities is currently being explored together with the partner.

The volume of specific provisions in connection with the loan portfolio amounted to EUR 478,595; 2.2% of the total portfolio excluding participations. Movements in the specific provisions are credited or debited to the generic provision. The policy of HTF is to establish a generic provision of between 5% and 10% of the outstanding loan portfolio. For 2006, a decision was taken to add the entire operating result of EUR 1,235,766 to the generic provision, which thus reached a level of EUR 1,906,776, or 8.7% of the loan portfolio. This meant that once more no appeal will be made to the private guarantors for 2006. This is the fourth year in succession in which no appeal has been made to the guarantors.

The settlement of losses can be illustrated as follows:

<b>Settlement of losses 2006</b>	<b>2006</b>	<b>2005</b>
<b>Losses available for settlement</b>		
Exchange rate result	-/- 1,021,653	464,898
Addition to the generic provision	-/- 1,235,766	0
<b>Settlement</b>		
Charged to the operating result	1,235,766	0
Charged to the exchange rate differences reserve	464,898	-/- 464,898
Charged to the private guarantors	0	0
Charged to Hivos	556,755	0

#### **North-South Plan**

Hivos and Triodos Bank have created and implemented the North-South Plan with the aim of giving private individuals in the Netherlands the opportunity to become involved in the financing of projects in developing countries. This can happen in two ways:

Private individuals can open a North-South (internet) savings account with Triodos Bank. The volume of these accounts is used as a source of finance for the loan that Triodos Bank gives to HTF. The North-South (internet) savings account is an easily accessible savings account with market interest rates.

Private individuals who want to support HTF even further can provide a guarantee as security for the facility granted by Triodos Bank to HTF. Hivos is prepared to provide a guarantee nine times the value of each private guarantee. In effect, these private guarantors therefore determine the scope of HTF's growth and form an important basis for the policy HTF is able to pursue.

In 2006, a marketing campaign was carried out to achieve growth in the volume of both North-South savings and guarantees. The use of campaign folders, mailings, and advertisements led to an increase in the volume of North-South savings from EUR 18,739,719 to EUR 21,251,219. The number of savers increased from 2,089 in 2005 to 2,559 in 2006. The volume of North-South guarantees (in total 341 guarantors) grew from EUR 1,737,202 to EUR 1,901,938.

North-South funds deposited with Triodos Bank:

	2006		2005	
	Amount EUR	Number	Amount EUR	Number
North-South deposits	1,816,073	202	1,985,577	227
North-South saving accounts	19,435,146	2,357	16,754,142	1,862
<b>Total</b>	<b>21,251,219</b>	<b>2,559</b>	<b>18,739,719</b>	<b>2,089</b>

The North-South savers can allocate at least one percent of their interest income to Hivos in order to cover the additional costs associated with the North-South Plan. In 2006, Hivos received EUR 84,838 (2005: EUR 95,795) from the North-South savers and from other earmarked accounts.

#### FUTURE PROSPECTS

Microfinance is going through a period of rapid development and forms an increasingly important part of the financial sector in many developing countries. In order to be able to offer all income group access to financial services, a wide diversity of providers is needed. Commercial providers are first and foremost concerned with serving the most accessible markets in the large cities. The financing policy of HTF is primarily aimed at making financial services available for the lower income groups, especially in rural areas and other vulnerable markets.

In addition, HTF will be actively involved in helping the trade finance portfolio grow. The Fund pursues growth in existing markets, such as Max Havelaar coffee, and will also seek to expand with new organic and/or fair trade certified products such as cocoa, bananas, tea, rice, sugar and honey.

In 2007, partly on the basis of funds made available by Hivos, HTF anticipates an increase in the portfolio of EUR 3 million. Financing in Africa and Asia will again be given priority. HTF anticipates being able to continue the current distribution in financing per product and per currency.

Zeist, 27 March 2007

P.H. Aeby  
P. Blom  
*Board of Management*



# Key figures

(amounts in euro)

	2006	2005
<b>Participations</b>	<b>8,303,828</b>	<b>6,182,529</b>
<i>Number of contracts</i>	<i>11</i>	<i>10</i>
<b>Cumulative preference shares</b>	<b>40,768</b>	<b>42,239</b>
<i>Number of contracts</i>	<i>1</i>	<i>1</i>
<b>Loans</b>	<b>21,396,812</b>	<b>16,771,840</b>
<i>Number of contracts</i>	<i>58</i>	<i>50</i>
<b>Guarantees issued</b>	<b>-</b>	<b>925,000</b>
<i>Number of contracts</i>	<i>0</i>	<i>3</i>
<b>Total portfolio before deduction of specific provisions and including receivables from loans</b>	<b>30,289,407</b>	<b>24,351,103</b>
<b>Committed finance contracts</b>	<b>1,724,912</b>	<b>2,513,460</b>
<b>Equity</b>	<b>700,793</b>	<b>1,722,446</b>
<b>Generic provision</b>	<b>1,906,776</b>	<b>974,476</b>
<b>Result</b>		
Income	1,945,643	1,192,260
Expenses	709,877	692,249
Operating result	1,235,766	500,011
Exchange rate result	-/- 1,021,653	464,898
Addition to the generic provision	-/- 1,235,766	-
Result	-/- 1,021,653	964,909
<b>Claim on the private guarantors on account of setoff of the addition to the generic provision</b>	<b>-</b>	<b>-</b>
<b>Claim on Hivos Foundation on account of setoff of the addition to the generic provision</b>	<b>-</b>	<b>-</b>
<b>Claim on Hivos Foundation on account of setoff of the exchange rate losses</b>	<b>556,755</b>	<b>-</b>



*Annual Accounts 2006*  
*Stichting Hivos-Triodos Fonds*  
*(Hivos-Triodos Fund Foundation)*

# Balance sheet as at 31 December 2006

Before result appropriation (in euro)

	31.12.2006	31.12.2005
<b>ASSETS</b>		
<b>Fixed assets</b>		
Participations	8,303,828	6,182,529
Cumulative preference shares	40,768	42,239
Loans	21,396,812	16,771,840
	<u>29,741,408</u>	<u>22,996,608</u>
<b>Current assets</b>		
Receivables and accrued income	1,080,249	793,283
Liquid assets	91,795	240,648
	<u>1,172,044</u>	<u>1,033,931</u>
<b>Total assets</b>	<u><u>30,913,452</u></u>	<u><u>24,030,539</u></u>
<b>LIABILITIES</b>		
<b>Equity</b>		
General reserve	1,722,446	757,537
Result for financial year	-/- 1,021,653	964,909
	<u>700,793</u>	<u>1,722,446</u>
<b>Generic provision</b>	1,906,776	974,476
<b>Subordinated loan drawn</b>	8,329,061	6,286,730
<b>Long-term debts</b>	16,084,022	12,084,022
<b>Short-term debts, accruals and deferred income</b>	<u>3,892,800</u>	<u>2,962,865</u>
<b>Total liabilities</b>	<u><u>30,913,452</u></u>	<u><u>24,030,539</u></u>
<b>Guarantees issued</b>	-	925,000
<b>Committed financings</b>		
Participations	25,232	904,198
Loans	1,699,680	1,609,262
<b>Currency forward contracts</b>	5,303,125	4,966,608

# Profit and loss account for the year 2006

(in euro)

	2006	2005
<b>INCOME</b>		
Income from participations	502,856	385,182
Passed on income from participations	-/- 502,856	-/- 385,182
Income from loans	2.207,468	1.534,520
Income from guarantees issued	3,281	40,876
Interest on liquid assets	21,751	63,084
Interest charges	-/- 688,717	-/- 446,280
Donations received	84	60
Other income	401,776	-
	<u>1,945,643</u>	<u>1,192,260</u>
<b>EXPENSES</b>		
Management fee	662,258	635,315
Auditor's and consultant's fees	9,587	20,881
Other expenses	38,032	36,053
	<u>709,877</u>	<u>692,249</u>
<b>Operating result</b>	<b>1,235,766</b>	<b>500,011</b>
Exchange rate result	-/- 1,021,653	464,898
Addition to the generic provision	-/- 1,235,766	-
<b>Result</b>	<b><u>-/- 1,021,653</u></b>	<b><u>964,909</u></b>

# Notes

to the Balance sheet and the Profit and loss account

## GENERAL

The Foundation was established on 22 December 1994. These Annual Accounts represent the twelfth financial year, which ended on 31 December 2006.

## ACCOUNTING PRINCIPLES

### *Participations*

Participations, being capital interest which are not serving own long-term activities and do not have the characteristics of investments, are valued at acquisition price in euros.

The Hivos Foundation has provided HTF with a subordinated, interest-free loan to finance participations. In the event that downward revaluation of a participation is necessary, Hivos Foundation shall waive a corresponding portion of the loan. When a participation is sold, the portion relating to this participation shall be repaid by HTF. Dividend and capital gains from sales will be placed at the disposal of the Hivos Foundation. HTF does not owe any management fee in respect of participations; agreements have been made directly in this respect between the Hivos Foundation and Triodos Investment Management BV.

### *Cumulative preference shares*

Cumulative preference share are reported at the nominal value minus specific provisions for anticipated non-recovery. Redemption of these shares shall be made at nominal value. Dividends are accounted for in the year of receipt.

### *Loans*

Loans are recorded at the nominal value minus specific provisions for anticipated non-recovery.

Projects financed with loans are high risk in nature. As a result, losses on the original investments must be taken into account. In the event of anticipated loss, a specific provision will be formed for the anticipated loss on the loan and the corresponding amount of payable interest. The need to make specific provisions is to a large extent dependent on the quality of information provided about the progress of the projects by the client.

### *Other assets and liabilities*

Other assets are recorded at expected income. A specific provision is formed for anticipated non-recovery. Other liabilities are recorded at expected payments. A specific provision is formed for anticipated claims with regard to issued guarantees.

### *Generic provision*

Given the nature and risk profile of the projects, there are insufficient guarantees that the specific provisions created by HTF will be adequate. There is a chance that additional losses will be incurred on outstanding financings. As a result, a generic provision has been created to cover general financing risks, which will be charged to the result. HTF aims at creating a generic provision of minimally 5% and maximally 10% of the gross value of the cumulative preference shares, loans, guarantees and overdue receivables at the end of the financial year.

Additions to and reversals from the specific provisions are charged or credited to the generic provision.

*Settlement of losses*

In case of losses on the portfolio cumulative preference shares, loans and guarantees the guarantors shall be called on for part of their guarantees. The aim is to limit this call to about 10% per year.

Losses arising from exchange rate results shall, in the first instance, be charged to the exchange rate differences reserve included in the equity. If, after addition of the exchange rate result, the exchange rate differences reserve is negative at financial year-end, the negative balance shall be chargeable to the Hivos Foundation.

The loss arising from the addition to the generic provision shall be recovered from the Hivos Foundation and the private guarantors pro rata to the amount of their guarantee.

*Foreign currencies*

The conversion of assets and liabilities denominated in foreign currencies is made using the final exchange rates in the year under review most recently known. The conversion of transaction in balance sheet items and of income and expenses in foreign currencies are made using the average exchange rate in the month in which the transactions are reported. Any resulting exchange rate differences are charged or credited to the result.

Currency forward contracts are entered into to hedge exchange rate differences on USD loans. These are recorded at the final exchange rates in the year under review most recently known. Results on currency forward contracts are charged or credited to the result over the lifetime of the contract.

**PRINCIPLES FOR THE DETERMINATION OF THE RESULT**

The determination of the result is based on the assignment of income and expenses to the corresponding period. The results for companies and enterprises in which participations are held are not taken into account when determining the profit.

BALANCE SHEET AS AT 31 DECEMBER 2006

<b>Assets</b>	<i>Participations</i>	<b>2006</b>	<b>2005</b>
	Movements in the participations:		
	Position as at 1 January	6,182,529	4,820,827
	Additions/purchases	2,121,299	1,369,197
	Sales	-	-/- 7,495
	Position as at 31 December	<u>8,303,828</u>	<u>6,182,529</u>
	<i>Cumulative preference shares</i>	<b>2006</b>	<b>2005</b>
	Movements in the cumulative preference shares:		
	Position as at 1 January	42,239	38,301
	Exchange rate differences	-/- 1,471	3,938
	Position as at 31 December	<u>40,768</u>	<u>42,239</u>
	<i>Loans</i>	<b>2006</b>	<b>2005</b>
	Movements in the loans:		
	Position as at 1 January	17,188,232	10,278,501
	Loans provided	11,629,418	11,902,846
	Repayments	-/- 5,365,078	-/- 6,062,305
	Write-offs charged to provision for loans	-/- 106,350	-/- 59,190
	Exchange rate differences	-/- 1,470,815	1,128,380
	Position as at 31 December	<u>21,875,407</u>	<u>17,188,232</u>
	Movements in the provision for loans:		
	Position as at 1 January	416,392	434,329
	Addition charged to the generic provision	320,000	285,854
	Write-off	-/- 106,350	-/- 56,940
	Reversals of the generic provision	-/- 125,669	-/- 270,865
	Exchange rate differences	-/- 25,778	24,014
	Position as at 31 December	<u>478,595</u>	<u>416,392</u>
		<u>21,396,812</u>	<u>16,771,840</u>

Remaining terms of the loans:	2006	2005
overdue (repayable on demand)	-	-
< 1 year	9,781,079	5,225,533
≥ 1 year and < 2 years	7,198,138	5,880,013
≥ 2 years and < 3 years	3,098,634	5,237,306
≥ 3 years and < 4 years	763,800	845,380
≥ 4 years and < 5 years	-	-
≥ 5 years	1,033,756	-
	<u>21,875,407</u>	<u>17,188,232</u>

<i>Receivables, prepayments and accrued income</i>	2006	2005
--	------	------

Specification of receivables, prepayments and accrued income:

Receivables from loans	69,403	13,103
Accrued interest on loans	852,247	668,031
Accrued interest on liquid assets	2,374	11,948
Exchange rate differences for currency forward contracts	124,890	-
Non-realised transaction results on currency forward contracts	107,001	87,168
Subordinated loan still to be received	-	-
Claim on Triodos Fair Share Fund regarding sold acquisition participation rights	-	25,204
Miscellaneous	29,522	5,170
	<u>1,185,437</u>	<u>810,624</u>

Movements in the provision for overdue interests and costs:	2006	2005
---	------	------

Position as at 1 January	17,341	27,098
Addition charged to the generic provision	109,571	20,597
Write-off	-/- 20,161	-/- 24,385
Reversal of the generic provision	-/- 436	-/- 6,927
Exchange rate differences	-/- 1,127	958
	<u>105,188</u>	<u>17,341</u>
Position as at 31 December	<u>105,188</u>	<u>17,341</u>
	<u>1,080,249</u>	<u>793,283</u>

<i>Liquid assets</i>	2006	2005
----------------------	------	------

Rabobank, EUR current account	499	58,174
Rabobank, USD current accounts	91,296	101,571
Rabobank, USD deposit	-	80,903
	<u>91,795</u>	<u>240,648</u>

The liquid assets are at the free disposal of HTF.

During 2006 the average interest on the Rabobank EUR current account was 2.0% (2005: 1.1%) and on the Rabobank USD current accounts it was 3.4% (2005: 1.7%).

<b>Liabilities</b>	<i>General reserve</i>	<b>2006</b>	<b>2005</b>
	Position as at 1 January	757,537	475,519
	Addition result previous financial year	964,909	165,472
	Amount waived by guarantors: in respect of settlement 2004	-	116,546
	Position as at 31 December	<u>1,722,446</u>	<u>757,537</u>

The general reserve consists of the cumulative results up to and including the previous financial year, increased by the debts remitted by the guarantors up to and including the financial year.

Composition of the general reserve as at year-end 2006:

Cumulative results up to and including 2005	-/- 3,417,419
Settled by guarantors up to and including 2006	<u>5,139,865</u>
Position as at 31 December	<u>1,722,446</u>

The general reserve is made up of an operating result, a loss to be recovered from the guarantors and an exchange rate differences reserve. The loss to be recovered from guarantors as at year-end 2006 equals the amount not yet settled by guarantors in respect of losses up to year-end 2004. The exchange rate differences reserve is formed starting from 2004 by exchange rate profits and exchange rate losses; a negative balance is recovered from the Hivos Foundation.

	Operating result	Loss to be recovered from guarantors	Exchange rate differences reserve	Total
Position as at 1 January	776,976	-/- 19,439	-	757,537
Addition result previous financial year	500,011	-	464,898	964,909
Settlement by guarantors	-	-	-	-
Position as at 31 December	<u>1,276,987</u>	<u>-/- 19,439</u>	<u>464,898</u>	<u>1,722,446</u>

<i>Generic provision</i>	2006	2005
Position as at 1 January	974,476	1,003,135
Addition to provision for loans	-/- 320,000	-/- 285,854
Addition to provision for overdue interest and costs	-/- 109,571	-/- 20,597
Reversal of provision for loans	125,669	270,865
Reversal of provision for overdue interest and costs	436	6,927
Addition charged to the result	1,235,766	-
Position as at 31 December	<u>1,906,776</u>	<u>974,476</u>

The generic provision is formed for general financial risks related to anticipated losses on cumulative preference shares, loans and guarantees. Risks arising from participations are covered by a subordinated loan from the Hivos Foundation.

Subordinated loan drawn	2006	2005
Position as at 1 January	6,286,730	4,988,900
Loan provided	2,042,331	1,305,325
Repayment	-	-/- 7,495
Position as at 31 December	<u>8,329,061</u>	<u>6,286,730</u>

The loan has been provided by the Hivos Foundation to finance participations of HTF in accordance with the agreement laid down in a supplementary cooperation agreement. The term of the loan is indefinite and no interest is payable.

The difference between the balance of the subordinated loan and the balance of the participations relates to a committed participation still to be paid out for which the Hivos Foundation has already provided the financing.

<i>Long-term debts</i>	2006	2005
Triodos Bank, loan I	4,084,022	4,084,022
Triodos Bank, loan II	5,500,000	1,500,000
Triodos Bank, loan III	2,500,000	2,500,000
Triodos Bank, loan IV	4,000,000	4,000,000
	<u>16,084,022</u>	<u>12,084,022</u>

The interest rate of loan I from Triodos Bank is 4.38% and is fixed until 1 January 2007; the loan runs until 1 January 2031.

The interest rate of loan II from Triodos Bank is 4.89% and is fixed until 1 January 2014; the loan runs until 1 January 2037.

The interest rate of loan III from Triodos Bank is 4.40% and is fixed until 1 April 2010; the loan runs until 1 April 2035.

The interest rate of loan IV from Triodos Bank is 4.17% and is fixed until 1 December 2010; the loan runs until 1 January 2036.

<i>Short-term debts, accruals and deferred income</i>	2006	2005
Triodos Bank, overdraft in current account	3,101,524	1,820,598
Debts to guarantors	19,439	19,439
Management fee	237,191	260,255
Auditor's and consultant's fees	10,189	11,454
Interest payable on Triodos Bank loans	195,297	127,265
Interest and repayment of loans received in advance	263,587	268,444
Exchange rate differences currency forward contracts	-	374,098
Sums received to be paid in respect of trade finance	57,148	43,393
Debt owed to Hivos regarding sold acquisition participation rights	-	25,204
Miscellaneous	8,425	12,715
	<u>3,892,800</u>	<u>2,962,865</u>

At year-end 2006, the interest rate of the Triodos Bank current account overdraft is 6.00% (2005: 4.25%). The total current account overdraft provided by Triodos Bank amounts to EUR 5,012,922 (2005: EUR 3,012,922).

The Triodos Bank loans reported under the long-term and short-term debts are covered by guarantees from third parties. After adoption of the Annual Report, Triodos Bank will in first instance ask HTF to cover the losses for the financial year with respect to the portfolio cumulative preference shares, loans and guarantees. Given that HTF is unable to cover this debt, Triodos Bank will then call on the guarantors. After payment, the guarantors will succeed to Triodos Bank's rights in this case, which means that this sum shall become a liability owed by HTF to the guarantors. HTF will ask the guarantors to waive this liability, clearing the accumulated loss with the waived amount.

The debts owed to guarantors as at year-end 2006 consist of the amount not yet waived by guarantors in respect of settlement for the period of 1995 up to and including 2002.

## OFF-BALANCE ITEMS

<i>Guarantees issued</i>	2006	2005
Movements in guarantees issued:		
Position as at 1 January	925,000	1,487,500
Guarantees issued	-	-
Guarantees expired	-/- 925,000	-/- 562,500
Position as at 31 December	-	925,000
 <i>Committed participations</i>	 2006	 2005
AfriCap Microfinance Fund, Senegal	25,232	104,051
Bellwether Microfinance Fund, India	-	800,147
	25,232	904,198
 <i>Committed loans</i>	 2006	 2005
BoWeevil regarding LCU, Uganda	409,000	175,000
Shares!, Uganda	392,000	250,000
Bandari Sacco, Kenya	-	584,795
Mi-Bospo, Bosnia Herzegovina	-	200,000
Small Enterprise Foundation, South Africa	-	399,467
Cecocafen, Nicaragua	519,490	-
Pro Mujer, Bolivia	379,190	-
	1,699,680	1,609,262

### *Currency forward contracts*

This relates to contracts under which HTF commits itself to purchase or sell the USD funds agreed upon the dates specified. All contracts have been entered into with Triodos Bank NV.

At the end of 2006, sales contracts had been entered into for an amount of USD 6,992,700 (at the end of 2005: USD 5,875,500).

### *Liabilities to private guarantors*

As from 2004, on the basis of the new guarantee agreement, explicit waive is no longer required – HTF applies the basic principle that the guarantors waive the amount due with regard to the settlement of losses. Private guarantors with guarantee agreements entered into prior to 2004 can legally still reclaim any waived amounts in the future. At year-end 2006, this possible liability is nil, since no appeal was made to the private guarantors for the period 2004 up to and including 2006.

## PROFIT AND LOSS ACCOUNT FOR THE YEAR 2006

### Income

#### *Income from participations*

This includes dividends and positive results upon the sale of participations. In accordance with the agreements made, this income is made available to the Hivos Foundation.

#### *Income from loans*

This includes the interest received on loans provided, as well as administrative fees charged to borrowers for the disbursements of loans.

#### *Income from guarantees issued*

This includes commission from issued guarantees, as well as one-off fees charged for the provision of guarantees. Annual commission income is assigned to the year concerned. One-off commissions are reported as income in the year in which the guarantee is issued.

#### *Interest on liquid assets*

This includes the interest income on liquid assets.

#### *Interest charges*

This includes the interest expenses on the Triodos Bank loans, reported under the long-term and short-term debts.

#### *Donations received*

This includes the interest donated to HTF by Triodos Bank customers, as well as donations received from third parties.

#### *Other income*

This concerns the reclaimed VAT amount for the period 2000 up to and including 2005. In 2006 the tax authorities determined that Hivos-Triodos Fund is liable to pay VAT. As a result the Fund can reclaim a large part of paid VAT. Hivos-Triodos Fund was offered the possibility to reclaim VAT over the period 2000 up to and including 2005. This amount was received in 2006 and accounted for as other income in the annual accounts.

### Expenses

#### *Management fee*

The management fee paid to Triodos Investment Management bv is made up as follows:

- A fee of 2.5% (excluding VAT) is calculated on the cumulative preference shares, loans including the exchange rate differences of currency forward contracts regarding USD loans, guarantees and receivables from loans as at the end of the financial year;
- A fee of 2.5% (excluding VAT) is calculated for short-term trade finance with a maximum lifetime of 12 months on the highest outstanding principal sum during the year;
- Administrative fees are charged on newly provided loans and newly issued guarantees to microfinance institutions.

<i>Auditor's and consultant's fees</i>	2006	2005
Auditor's fees	9,516	11,454
Fees for legal advice	71	1,843
Project consultants	-	7,584
	9,587	20,881
	9,587	20,881

<i>Other expenses</i>	2006	2005
Publicity expenses	24,089	19,853
Office expenses	13,943	16,200
	<u>38,032</u>	<u>36,053</u>

The office expenses item include charges for (foreign) payment transactions, costs of courier services, and levies and contributions.

*Exchange rate result*

The following items are included in this result:

- Exchange rate differences on loans, liquid assets and other receivables and liabilities in foreign currencies;
- Exchange rate differences on currency forward contracts entered into to hedge the exchange risk on USD loans;
- Transaction results from currency forward contracts assigned to the financial year concerned.

**RELATED PARTIES**

Hivos-Triodos Fund is related to the following legal entities:

- 1 Triodos Investment Management bv carries out the management of Hivos-Triodos Fund for which it receives a market conform management fee.
- 2 Triodos Bank nv is sole shareholder of Triodos Investment Management bv.
- 3 Triodos Bank nv
  - A current account overdraft has been made available by Triodos Bank nv against market interest rates.
  - Triodos Bank nv has made available four loans against market rates.
  - Hivos-Triodos Fonds concludes currency forward contracts with Triodos Bank nv against market interest rates.
- 4 Hivos-Triodos Fund provides financings (syndicated loans) and participations that are managed by Triodos Investment Management bv.

Zeist, 27 March 2007

P.H. Aeby  
 P. Blom  
*Board of Management*

# Other information

## RESULT APPROPRIATION

The Articles of Association do not include any stipulations regarding the result appropriation.

The negative result for 2006 of EUR 1,021,653 relates to the exchange rate differences result. This will be settled with the generic reserve as far as it concerns the built-up exchange rate differences result. The remaining result of EUR 556,755 will be recovered from Hivos.

## AUDITOR'S REPORT

We have audited the accompanying Annual Accounts 2006 of Hivos-Triodos Fund Foundation (Stichting Hivos-Triodos Fonds), Zeist, as included in this report on page 25 up to and including 37, which comprise of the balance sheet as at 31 December 2006, the profit and loss account for the year then ended and the notes.

### *Management's responsibility*

Management of the foundation is responsible for the preparation and fair presentation of the Annual Accounts in accordance with the entity's selected and laid down principles. This responsibility includes: designing, implementing and maintaining internal control relevant to the preparation and fair presentation of the Annual Accounts that are free from material misstatement, whether due to fraud or error; selecting and applying appropriate accounting policies; and making accounting estimates that are reasonable in the circumstances.

### *Auditor's responsibility*

Our responsibility is to express an opinion on the Annual Accounts based on our audit. We conducted our audit in accordance with Dutch law. This law requires that we comply with ethical requirements and plan and perform the audit to obtain reasonable assurance whether the Annual Accounts are free from material misstatement. An audit involves performing procedures to obtain audit evidence about the amounts and disclosures in the Annual Accounts. The procedures selected depend on the auditor's judgment, including the assessment of the risks of material misstatement of the Annual Accounts, whether due to fraud or error. In making those risk assessments, the auditor considers internal control relevant to the entity's preparation and fair presentation of the Annual Accounts in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the entity's internal control. An audit also includes evaluating the appropriateness of accounting policies used and the reasonableness of accounting estimates made by management, as well as evaluating the overall presentation of the Annual Accounts.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

### *Opinion*

In our opinion, the Annual Accounts give a true and fair view of the financial position of the Hivos-Triodos Fund Foundation (Stichting Hivos-Triodos Fonds), as at 31 December 2006, and of its result for the year then ended in accordance with entity's selected and laid down principles, as explained in the accounting principles in the notes to the balance sheet and the profit and loss account.

Utrecht, 27 March 2007

KPMG ACCOUNTANTS NV

K. Oosterhof RA

## Appendix: Project descriptions

### PARTICIPATIONS

*AfriCap Microfinance Fund Ltd, South Africa, [www.africapfund.com](http://www.africapfund.com)*

*USD 227,203 (EUR 251,468)*

AfriCap Microfinance Fund (AfriCap) is an investment fund specialised in participations in microfinance institutions in Africa. After five years, AfriCap has come to the end of its investment period in which it built up a portfolio with equity and related participations in Kenya, Uganda, Tanzania, Mozambique, Madagascar, Sierra Leone, Ghana, Senegal and Egypt. In early 2007, the last participations will be entered into before the formal period of sales commences. Already in 2006, the first two (part) sales were successfully completed. AfriCap is making preparations for the establishment of AfriCap II to offer the possibility of further expansion of the portfolio. A senior Triodos Bank co-worker represents Hivos-Triodos Fund, Cordaid and the DOEN Foundation on the Board of Directors.

*Akiba Commercial Bank Ltd, Tanzania*

*TZS 276,000,000 (EUR 353,605) and also a loan: TZS 1,000,000,000 (EUR 606,061)*

Political stability, a relatively high level of security and improved legal framework make Tanzania among the best performing economies on the African continent. The growing economy provides ample opportunities for the financial sector. The potential attracts existing banks to expand activities and diversify towards the lower income levels. It also attracts newcomers to the market. In this high potential, but increasingly competitive environment Akiba Commercial Bank is experiencing a stagnation in growth. In order to structurally address the predominantly internal challenges the board has embarked on a three-phased approach – firstly to review the corporate governance structure, secondly to develop a new strategic plan, and thirdly to improve operational and financial performance. In 2007 Akiba Commercial Bank will continue to build a foundation that should result in further growth and prosperity. A senior Triodos Bank co-worker represents Hivos-Triodos Fund and Triodos-Doen on the Board of Directors.

*Banco Solidario SA, Ecuador, [www.banco-solidario.com](http://www.banco-solidario.com)*

*USD 535,865 (EUR 513,917)*

Banco Solidario in Ecuador distinguishes itself by the many types of finance it offers to low-income groups. The bank's philosophy is to provide people who usually don't have access to conventional banks with the same financial services typically available to higher income groups. A share issue in 2006 resulted in a capital increase of USD 12 million for Banco Solidario and an improvement of its solvency.

*Bellwether Microfinance Fund, India, [www.bellwetherfund.com](http://www.bellwetherfund.com)*

*INR 23,500,000 (EUR 559,768)*

Bellwether Microfinance Fund (Bellwether) was established in 2005 as the first microfinance fund in India. Hivos-Triodos Fund is, together with an Indian management team and an American microfinance fund, an initiator and financier of the fund. Bellwether is specialised in equity participations for smaller and promising microfinance institutions. In addition, the fund focuses on existing financial institutions that wish to develop their microfinance activities. To finance the growth of the fund, a capital increase took place in 2006. The three existing initiators contributed by means of ordinary and long-term preference shares and a new foreign investor joined. At the end of 2006, the fund realised 10 investments. A senior Triodos Bank co-worker represents Hivos-Triodos Fund on the Board of Directors.

*Bhartiya Samruddhi Finance Ltd, India, www.basixindia.com*

*INR 23,5000,000 (EUR 559,768)*

In many respects 2006 was the best year for Bhartiya Samruddhi Finance Ltd (Samruddhi) in its 10-year existence – the organisation experienced strong growth in its portfolio and in its profitability. Within the organisation, management integrates well the three pillars of its strategy – namely financial sustainability, qualitative support of clients and the development of sectors. Samruddhi is one of the most prominent microfinance institutions in India and plays a pioneering role in its supply of services to clients, which includes loans, insurances and supporting/auxiliary training programmes. The organisation now has almost 200,000 clients and a loan portfolio of more than EUR 31 million. A senior Triodos Bank co-worker represents Hivos-Triodos Fund on the Board of Directors.

*Centenary Rural Development Bank Ltd, Uganda, www.cerudeb.ug*

*UGX 1,293,529,177 (EUR 760,984)*

With almost 600,000 clients and 28 branches, Centenary Rural Development Bank (Centenary) has grown into the second largest bank in Uganda with regard to outreach. Many appreciate the easy access and low costs in particular, which gives Centenary the reputation of a bank for all Ugandans. The rapid growth however puts considerable pressure on the organisation. Branches are often overcrowded, the product line is too limited and customer service could be improved. Further professionalisation at all levels is necessary to realise further growth. Starting in 2005 and continuing in 2006, an almost completely new management team, including a new director, was established to lead this process. Hivos-Triodos Fund continues to play an active role as shareholder and member of the Board of Directors.

*Fondo Financiero Privado FIE SA, Bolivia, www.ffpfie.com.bo*

*USD 508,466 (EUR 410,528)*

Fondo Financiero Privado FIE in Bolivia realised a strong growth in 2006. The loan portfolio increased by 37.7% to more than USD 101 million, while savings increased by 72.6% to almost USD 57 million. In 2006 FIE extended its branch network again and is now represented in eight of the nine provinces in the country. At the end of 2006 FIE's network consists of 47 branches and 41 distribution points, enabling the microfinance institution to offer a growing number of clients access to financial services. FIE has entered into a strategic alliance with three smaller microfinance institutions – Pro Mujer, ANED and Crecer. Through this alliance, FIE can also offer financial services in rural areas. FIE participates in the 'Transparency and Sustainability' project. A senior Triodos Bank co-worker represents Triodos-Doen, Hivos-Triodos Fund and Triodos Fair Share Fund as alternate director on the Board of Directors.

*Financiera Nicaragüense de Desarrollo SA, Nicaragua, www.findesa.com.ni*

*USD 698,842 (EUR 410,528) and also a loan: USD 500,000 (EUR 379,190)*

As in previous years, Financiera Nicaragüense de Desarrollo SA (Findesa) managed to successfully grow the loan portfolio by 66% and the volume of deposits by 40%. The Nicaraguan microfinance sector is becoming increasingly competitive. The large number of providers characterizes the market and consolidation of the sector is to be expected. Considering its dynamics, flexibility, professionalism and market focus, Findesa is well-positioned to develop into a leading provider of microfinance services. The plans to transform into a fully-fledged bank fit well within that development as it will enable Findesa to further diversify product offer and improve client services. In 2005 Findesa was the first microfinance bank worldwide to publish its annual report following the Global Reporting Initiative (GRI) reporting guidelines. In 2006 this initiative was further developed into an integrated sustainability management system that is well rooted into daily operations.

*Mibanco SA, Peru, [www.mibanco.com.pe](http://www.mibanco.com.pe)*

*PEN 6,493,518 (EUR 1,580,941)*

Mibanco, a successful microfinance bank headquartered in Lima, Peru, offers several credit and savings products. It provides micro-entrepreneurs working capital, investment loans and housing loans, while private clients are offered the possibility to open current accounts, savings accounts and fixed deposits.

In 2006 Mibanco realised a strong growth. The number of loan clients grew from 151,149 to 221,802 and the loan portfolio increased by 54.9% – from USD 206.6 million to almost USD 320 million. Savings and deposits also increased by 27.3% to more than USD 211 million.

Mibanco further expanded its branch network and at the end of 2006 the bank has 74 offices throughout the country, and in comparison to 2005 has increased the number of employees by 35% to 1,939. In 2006, Hivos-Triodos Fund increased its participation in Mibanco.

## LOANS PROVIDED TO NEW PARTNERS

*Bandari Sacco, Kenya*

*Loan: KES 50,000,000 (EUR 546,448)*

Bandari Sacco (Bandari) is a saving and credit cooperation, linked to the Mombasa port – Bandari means port in Swahili. Its members are employed by the Kenya Port Authorities, and traditionally Bandari provided salary loans to its members. In 2004 a new strategy was adopted which included opening up the cooperation to a broader public, starting with family members of port employees. Furthermore, new facilities were created in order to offer a wider range of services to members. At the main gate of the Mombasa port front office services were opened which enabled Bandari to execute salary payments and offer savings accounts. Hivos-Triodos Fund has entered into a relationship with Bandari to support the expansion plans.

*FINCA Ecuador, Ecuador, [www.villagebanking.com](http://www.villagebanking.com)*

*Loan: USD 500,000 (EUR 379,190)*

In 2004 FINCA Ecuador became the first affiliate of FINCA in Latin America to transform into a regulated financial institution. While FINCA Ecuador conforms to the strict regulations applied to financial institutions, its mission remains serving lower income borrowers – mainly women and people in rural areas. This focus has allowed it to achieve strong growth in the crowded Ecuadorian market, with more than 50,000 clients (95% women) in 2006.

*Kazakhstan Microlending Organization BEREKE, Kazakhstan*

*Loan: KZT 28,000,000 (EUR 167,564)*

Microlending Organization Bereke (Bereke) is a small, but efficient and effective micro-credit organisation in the far North-East of Kazakhstan, in an area that was a former nuclear testing zone. Bereke's urban lenders are primarily traders and small producers, but the organisation also lends to small farmers in the surrounding villages. Hivos-Triodos Fund is the first foreign fund to finance growth of Bereke's portfolio and aims to support further growth in the coming years.

*Marang Financial Services, South Africa*

*Loan: ZAR 4,000,000 (EUR 434,783)*

For several years Marang Financial Services (Marang) was partner of the Hivos Seed Capital programme. In 2006 Hivos-Triodos Fund provided a loan to the organisation for the growth of its loan portfolio. Contrary to the purely commercial South African microfinance institutions that offer exclusively salary loans, Marang focuses predominantly on small-scale entrepreneurs in the townships. Marang strives for a further

professionalism and efficiency improvements in order to create a good basis for completely financial independence. By providing the loan, Hivos-Triodos Fund intends to support this ambition and to help Marang offer equal chances within the segmented society in South Africa.

*Oranización de Desarrollo Empresarial Feminino, Honduras*

*Loan: HNL 19,030,000 (EUR 763,800)*

Oranización de Desarrollo Empresarial Feminino (ODEF) in Honduras began operations in 1985 as a development non-governmental organisation (NGO). In 1993 it began focusing on microfinance and now has a network of 25 branches, with more than 16,000 clients and a loan portfolio of USD 11.4 million. In 2005 ODEF was the first MFI to become regulated under the government's new microfinance legislation allowing it to mobilise savings deposits from its clients.

*Pride Tanzania Ltd, Tanzania*

*Loan: TZS 1,500,000,000 (EUR 909,901)*

Pride Tanzania has almost 90,000 loan clients and is specialised in the Grameen-inspired model of group lending. Via this model, predominantly female clients stand surety for each other to make loan contracts possible. Based on new legislation, Pride Tanzania wants to transform into a regulated financial institution, which would enable it to offer a broader range of products including savings products. With the loan provided, Hivos-Triodos Fund supports the growth of the loan portfolio. The planned transformation can be the basis for further development of the relationship.

*Pro Mujer Bolivia, Bolivia, [www.promujer.org/bolivia.html](http://www.promujer.org/bolivia.html)*

*Loan: USD 500,000 (EUR 379,190)*

Pro Mujer focuses its financial services exclusively on women. In addition to loan and saving products the microfinance institutions also offers its clients and their family social support in the field of education, healthcare and business development. The loan provided by Hivos-Triodos Fund helps Pro Mujer to further extend its activities.

## EXISTING LOAN PARTNERS

AMC, El Salvador  
AMRET, Cambodia  
Apoyo Integral, El Salvador  
Bai Tushum, Kyrgyzstan  
Credito Amigo, Bolivia  
Edpymes Confianza, Peru  
Edpymes Crear Tacna, Peru  
FAMA, Nicaragua  
FDL, Nicaragua  
FINCA Uganda, Uganda  
FINCA Tanzania, Tanzania  
KSSP Nganjuk, Indonesia  
Mi-Bospo, Bosnia Herzegovina  
Fundación José Nieberowski, Nicaragua  
Edpymes Nueva Vision, Peru  
FFP Prodem, Bolivia  
Small Enterprise Foundation, South Africa  
Socrema, Mozambique  
TPC, Cambodia  
Uganda Finance Trust, Uganda  
Uganda Microfinance Ltd, Uganda

## TRADE FINANCE PARTNERS

In 2006 Hivos-Triodos Fund provided trade finance to prefinance export contracts for certified organic and/or Fair Trade products to the following organisations:

Cooperativa Agraria Cafetalera 'Bagua Grande' Ltda, Peru (Fair Trade coffee)

BoWeevil bv, Uganda (organic cotton)

Cataratas do Iguacu Produtos Orgânicos Ltda ('Gebana Brazil') and/or Gebana AG and/or Gebana bv, Brazil (organic soya)

'Cecocafen' Central de Cooperativas Cafetaleras del Norte RL, Nicaragua (Fair Trade coffee)

Central de Cooperativas Agrarias Cafetaleras 'Cocla', Peru (organic coffee)

Latco International Ltda, Bolivia (organic sesame)

Rainforest Trading SAC, Peru (organic and Fair Trade coffee)

Rainforest Exquisite Products SA, Bolivia (organic Brazil nuts and cocoa)

Shares! Uganda Ltd. and/or BoWeevil bv, Uganda (organic sesame seed)

Union Export Services Ltd, Uganda (Fair Trade coffee)

# *Spanish translation*

Objetivo, Gobierno, Modo de operación, Informe de la Junta Supervisora y Memoria anual de la Junta Ejecutiva

## OBJETIVO

La Fundación del Fondo Hivos-Triodos (HTF) fue creada el 22 de diciembre de 1994 por iniciativa de la Fundación Hivos y la Fundación del Fondo Triodos. Su objetivo se describe en los Estatutos de la siguiente manera (artículo 2): "El objetivo de la Fundación consiste en otorgar garantías y préstamos, así como también asumir el riesgo de participar en proyectos, para empresas e instituciones en el ámbito de la cooperación para el desarrollo, en el sentido más amplio de este término. La fundación es una organización sin fines de lucro".

## GOBIERNO

La Junta Ejecutiva de HTF está integrada por Peter Blom y Pierre Aeby, ambos miembros de la Junta Ejecutiva de Triodos Bank NV. La Junta Ejecutiva es nombrada, suspendida y disuelta por la Junta Supervisora, que también supervisa las políticas de HTF y aprueba las Cuentas anuales. La Junta Supervisora es designada por la Fundación Hivos y está integrada por Pauline Bieringa, Philip de Haan, Pieter van den Kerckhoff (presidente), Manuela Monteiro, Herman Schoenmaker y Marc Woltering.

Se ha firmado un contrato con Triodos Investment Management BV para la dirección y ejecución práctica de las políticas. Esta compañía de responsabilidad limitada es dirigida por Marilou van Golstein Brouwers en Hans Schut. El Gerente del Fondo es Frank Streppel.

## MODO DE OPERACIÓN

Las nuevas solicitudes dentro del Fondo se evalúan teniendo en cuenta los criterios financieros, así como el impacto que tienen las actividades comerciales de las organizaciones en el medio ambiente y en la sociedad. Con su experiencia y conocimientos, los funcionarios de Hivos y Triodos cumplen en ese sentido un papel muy específico. Hivos evalúa el contenido de la solicitud en cuanto a su importancia a nivel de desarrollo. Es una precondition contar con una recomendación positiva para el otorgamiento de un crédito o para una inversión. Los funcionarios de Triodos Bank evalúan a continuación la solicitud según los criterios financieros e institucionales.

Tanto la opinión de Hivos como la propuesta de financiamiento de Triodos se someten a consideración del comité de créditos de HTF. Son miembros de este comité algunos representantes tanto de la Fundación Hivos como de Triodos Bank. La responsabilidad final recae en la Junta Ejecutiva.

HTF es responsable de la administración de la cartera. Cada prestatario se somete como mínimo a una revisión anual, en la que se analiza si el perfil del cliente sigue enmarcándose dentro de la política vigente. La gestión y estructuración posterior de la cartera se realiza en estrecha colaboración con Hivos. Las oficinas regionales de Harare (Zimbabwe), Bangalore (India), Jakarta (Indonesia) y San José (Costa Rica), así como los funcionarios responsables de la casa matriz de Hivos, cumplen un importante papel en ese sentido.

# *Informe de la Junta Supervisora*

La Junta Supervisora ha aprobado la Memoria anual 2006 y las Cuentas anuales de la Fundación del Fondo Hivos-Triodos. El año 2006 ha arrojado un resultado negativo de EUR 1.021.653 (2005: EUR 964.909 positivo). Este resultado está formado por una ganancia operativa de EUR 1.235.766 (2005: 500.011), que se añadió en su totalidad a la provisión genérica, y un resultado negativo por diferencias de cambio de EUR 1.021.653 (2005: 464.898 positivo). Este resultado por diferencias de cambio en primer lugar se deduce de la Reserva de diferencias de cambio de 2005 de EUR 464.898. El saldo de EUR 556.755, según lo acordado, será compensado por la Fundación Hivos.

Dado que el total de la constitución de la provisión genérica se carga a los resultados operativos, este año no se reclamará monto alguno de las garantías particulares.

Zeist, 27 de marzo de 2007

P.G.A. van den Kerkhoff  
*presidente*

# Memoria anual de la Junta Ejecutiva

## GENERALIDADES

HTF es una única Sociedad Pública y Privada (PPP), en la cual se combinan los medios y el conocimiento de la Fundación Hivos en el ámbito de la cooperación al desarrollo con la experiencia bancaria y de gestión de fondos de Triodos Bank. Una combinación pujante, mediante la cual el Fondo procura contribuir a alcanzar uno de los principales Objetivos de Desarrollo del Milenio: reducir a la mitad la cantidad de personas que deben vivir con menos de un dólar por día.

En ese sentido, HTF considera que los proyectos empresariales tienen un papel catalizador y estimula con sus inversiones el desarrollo de un sector financiero al que puedan acceder las personas emprendedoras de todos los niveles sociales de la población. Además, el Fondo se dirige al desarrollo de la agricultura de pequeña escala, de preferencia biológica, mediante el estímulo del comercio justo.

HTF tuvo un buen desempeño en el año 2006. El Fondo nuevamente experimentó un fuerte crecimiento. La cartera total de HTF creció con respecto al año 2005 en un 24,4%, de EUR 24.351.103 a EUR 30.289.407. Se otorgaron nuevos préstamos a 20 instituciones de microfinanzas, de las cuales siete son nuevos clientes. Se otorgaron créditos para el comercio internacional a 10 organizaciones, de las cuales dos a nuevos clientes. Se aumentaron cuatro participaciones de capital. En total, HTF realizó 70 operaciones de financiamiento con 53 clientes.

### **Desarrollo de un sector financiero que sea accesible para todos los niveles sociales de la población.**

El acceso al crédito y otros servicios financieros, tales como facilidades de ahorro y pago para todos los niveles de la población, es una de las bases fundamentales para el desarrollo social y económico. Con un crédito – a veces de no más de 50 a 100 euros – las personas pueden aprovechar sus talentos naturales, generar un mejor ingreso y crear fuentes de trabajo. Sin embargo, si el espíritu de empresa se ve limitado por la dificultad de acceder a un préstamo, se produce un efecto paralizante en el desarrollo económico del país en cuestión. En muchos países, sólo un sector limitado de la población tiene acceso a servicios financieros formales. Se estima que, por ejemplo, en África sub-Sahariana, se trata de menos de un 20% y en muchas zonas rurales este porcentaje es aún más bajo.

El acceso a productos de ahorro es igualmente importante. El ahorro permite que las personas puedan poner su dinero a buen resguardo y crear una reserva para, por ejemplo, hacer frente a los gastos de educación, o gastos imprevistos, como en el caso de una enfermedad o una mala cosecha.

Además, hay servicios de pago eficientes, transferencias internacionales y nacionales, de gran importancia para el desarrollo económico. El dinero que giran las personas que viven en la ciudad a sus familiares que viven en el interior es fundamental para el desarrollo de dicha región. En muchos países en que opera HTF, las remesas de familiares que viven en el exterior son uno de los ingresos más importantes del país.

El importante papel que desempeñan las microfinanzas en la lucha contra la pobreza cada vez tiene mayor reconocimiento. Además las microfinanzas se integran cada vez más en el sector financiero de un país. Hay gran variedad de actores en el mercado de las microfinanzas, desde bancos, compañías aseguradoras y cooperativas, hasta instituciones de microfinanzas especializadas (IMFS) y organizaciones no gubernamentales (ONGS). A la larga, si se procura aumentar el acceso a los servicios financieros en forma estructural, es importante que todos estos actores del mercado desempeñen su propio papel en el desarrollo de las microfinanzas. HTF identifica su propio papel a través del financiamiento de organizaciones que ofrecen créditos a grupos de menores ingresos y

en mercados de acceso limitado. Gracias al financiamiento de HTF, dichas organizaciones pueden hacer crecer su cartera de créditos y cumplir con la gran demanda de parte de los (futuros) emprendedores. Un efecto secundario que tienen las microfinanzas es el fortalecimiento de la posición social y económica de las mujeres. A menudo ellas obtienen por primera vez la disponibilidad de su propia fuente de ingresos y, por lo general, destinan el dinero generado a la salud y educación de sus hijos.

#### **Desarrollo de la agricultura de pequeña escala, de preferencia biológica, a través del estímulo del comercio justo.**

La falta de canales de venta es una de las principales limitaciones de los pequeños productores agrícolas para generar una fuente sólida y estable de ingresos. El acceso a los mercados de exportación, además, se dificulta por los costos, la reglamentación y la disponibilidad limitada de liquidez.

A través de los créditos para el comercio internacional, HTF estimula la exportación de productos certificados comercio justo y/o orgánico. El prefinanciamiento de contratos de exportación ofrece al productor la posibilidad de pagar puntualmente a los proveedores – por lo general, pequeños agricultores – gracias a lo cual se establece una relación sostenible y se permite a los pequeños productores acceder a los mercados de exportación.

#### **Posicionamiento de HTF en el mercado y principales actividades**

La cooperación con Hivos y los garantes privados permiten que HTF adopte un perfil de riesgo relativamente elevado, pudiendo así financiar organizaciones que están en plena fase de desarrollo. HTF ha diseñado, junto con Hivos, el Modelo de Ciclo de Vida, basado en las necesidades que tiene una organización a lo largo de sus distintas etapas de desarrollo.

En la *primera etapa de vida*, una organización suele necesitar principalmente donaciones, por ejemplo, para formar su infraestructura, ya que los ingresos provenientes de actividades siguen siendo insuficientes. A tal efecto, Hivos ha desarrollado el programa de Capital Generador para el sector de las microfinanzas. También se han desarrollado programas de comercio justo que ayudan a los exportadores con la creación de una gestión sostenible. En este sentido, los funcionarios de inversiones de Triodos Bank pueden cumplir un papel de asesoramiento. En esta etapa, HTF aún no desempeña papel alguno como agente de financiamiento.

En la siguiente *etapa de crecimiento*, HTF puede proveer financiamiento a la organización, mientras que Hivos puede seguir apoyando áreas específicas de la misma a través de fondos destinados a asistencia técnica, donde sea necesario.

Mediante mayor *profesionalización* y crecimiento, la organización estará cada vez más en condiciones de atraer financiamiento en el mercado de capitales. Triodos Fair Share Fund es uno de los proveedores de este mercado. HTF considera Triodos Fair Share Fund un recurso importante que los puedan acceder durante sus progresos a organizaciones más sostenibles.

La ventaja de este modelo de crecimiento, tanto para Hivos como para HTF, es que se pueden liberar fondos para financiar nuevas iniciativas.

**El desarrollo del socio de HTF Kazakhstan Loan Fund (KLF) en Kazachstan es un buen ejemplo del modelo de crecimiento que aplica HTF.**

La Fundación Hivos brindó apoyo financiero a esta organización no gubernamental en su etapa inicial de formación a través del programa de Capital Generador de Hivos. De esta forma, KLF pudo sentar una base sólida para el crecimiento posterior. En el año 2003, HTF otorgó el primer préstamo a KLF y, desde entonces, siguió desde muy cerca el desarrollo de KLF. Entretanto, KLF se ha convertido en el proveedor más grande de microcréditos de su país, ofreciendo tanto préstamos individuales como grupales a pequeños emprendedores que trabajan en el comercio, la producción y la prestación de servicios. Al cierre del año 2006, la organización tenía más de 22 mil clientes, de los cuales la mayoría eran mujeres (78%). KLF se encuentra actualmente en el proceso de transformación para convertirse en un banco de microfinanzas regulado, que le permitirá ampliar aún más su cartera de productos y servicios. HTF se ha propuesto seguir apoyando a KLF en la concreción de este ambicioso objetivo.

Tanto el alto perfil de riesgo – en que los garantes desempeñan un papel muy importante – como la política que aplica HTF lo distinguen de la mayoría de los demás proveedores de financiamiento. Dicha diferencia se caracteriza principalmente por:

- Un alto porcentaje de créditos otorgados a instituciones (aún) no reguladas (67% al cierre de 2006)
- La posibilidad de otorgar financiamiento a organizaciones que aún no sean financieramente viables por completo.
- Un préstamo promedio de un monto relativamente bajo (financiamiento pendiente promedio al cierre de 2006: EUR 378.359)
- Un alto porcentaje de desembolsos en monedas locales (52,4% al cierre de 2006)
- Un alto porcentaje de desembolsos en mercados vulnerables (especialmente África; 34% al cierre de 2006).
- Amplia dedicación a IMFs relativamente jóvenes, innovadoras y muy promisorias.

**Perspectivas para mujeres en Sudáfrica**

Small Enterprise Foundation (SEF), desde hace varios años cliente de HTF, otorga préstamos a mujeres de los grupos de ingresos más bajos en Limpopo, una provincia del noreste de Sudáfrica. El acceso al crédito no sólo permite a estas mujeres desarrollar sus capacidades y generar ingresos, sino también mejorar su posición social. Con el financiamiento del Fondo Hivos-Triodos, SEF puede ampliar su cartera de préstamos.

Limpopo se encuentra en una de las zonas más pobres de Sudáfrica y es una región seriamente afectada por la pandemia del HIV/SIDA. SEF ofrece no sólo posibilidades de crédito, sino que también ha comenzado un programa de SIDA que cuenta con el financiamiento de Hivos. Los clientes de SEF reciben información sobre la prevención y las consecuencias del HIV/SIDA. La investigación ha demostrado que gracias a este programa se pueden defender más contra los riesgos del HIV/SIDA.

*Este proyecto ilustra cómo la experiencia bancaria de Triodos Bank y los conocimientos y medios de la Fundación Hivos se combinan, a la vez fortaleciéndose mutuamente, en el ámbito de la cooperación para el desarrollo.*

HTF, además, se distingue de muchos otros proveedores de crédito por su conocimiento y enfoque bancario. Esto es conforme a las necesidades de muchas instituciones para las cuales HTF es un socio profesional y confiable que, además del financiamiento, ofrece acceso a redes y experiencia internacionales que se brindan a través de diferentes programas.

Uno de los objetivos prioritarios de HTF es la promoción del intercambio de conocimientos y experiencia técnica entre IMFs de todo el mundo. En octubre de 2006, Triodos Investment Management organizó por tercer año consecutivo un taller internacional con representantes de una serie de bancos de microfinanzas de África, América Latina y Asia. HTF es accionista en varios de estos bancos. Sus participantes debatieron dos temas actuales dentro del sector de las microfinanzas, a saber: "Crecimiento, nuevos accionistas e identidad", y "Banca ética y sostenible". Este último tema es una continuación del proyecto Transparencia y Sostenibilidad en las Finanzas que Triodos inició en el año 2004 junto con la Global Reporting Initiative (GRI). En dicho programa, las instituciones de microfinanzas participantes reciben asesoramiento sobre el proceso de elaborar informes de acuerdo con las directrices GRI, en que se presentan los resultados financieros, sociales y medioambientales en forma transparente. HTF considera este proyecto un ejemplo del aporte concreto de la experiencia de Triodos Bank en el ámbito de Triple-bottom line Banking (triple aproximación al negocio bancario), teniendo en cuenta People, Planet Profit (las personas, el medio ambiente y la rentabilidad económica). Hivos también ha apoyado esta iniciativa con medios financieros. Un próximo paso será pasar de los informes sostenibles a un concepto verdaderamente integral de Banking on Values (banca ética y sostenible).

Además, la Unión Europea, la Fundación DOEN y la Fundación Triodos han dispuesto de una suma para el desarrollo y la implementación de un programa de formación de capacidad para IMFs en África que desean ampliar sus conocimientos y aptitudes en el campo de gestión de riesgos e informes sostenibles. La implementación de dicho proyecto – llamado SMARTRAC – se realiza en colaboración con consultores internacionales de la consultoría FACET BV y expertos locales de los países de las instituciones participantes.

HTF trabaja también en forma conjunta con otras organizaciones a fin de brindar valor añadido a sus operaciones de financiamiento. Un ejemplo de ello es el programa "Banqueros para Banqueros". Éste es un trabajo conjunto entre el iniciador FMO (The Netherlands Development Finance Company), Netherlands senior experts, PUM y Triodos Bank, que al cierre del año 2006 lanzó el proyecto piloto. En dicho programa, del cual banqueros holandeses experimentados ofrecen asesoramiento a gerentes de IMFs en todo el mundo, se plantean cuestiones estratégicas puntuales de estas instituciones. En noviembre de 2007 se realizará una evaluación a fin de determinar de qué forma se continuará con el programa.

#### **Novedades en el año 2006: Premio Nobel de la Paz para Muhammad Yunus**

A partir del año 2005, proclamado el Año Internacional del Microcrédito por las Naciones Unidas, las microfinanzas siguieron destacándose en el año 2006. Esto principalmente se debió a la adjudicación del Premio Nobel de la Paz a Muhammad Yunus, el economista bengalí conocido como el padre fundador del microcrédito, y el Grameen Bank contribuyó en gran medida a este hecho. HTF considera que dicho galardón constituye un importante reconocimiento al estímulo que generan las microfinanzas en la lucha contra la pobreza. Indica que el impacto de las microfinanzas va mucho más allá del simple aspecto económico y que existe una relación directa entre pobreza y paz. Mediante la reducción de la brecha entre ricos y pobres, se promueve la paz.

La pobreza, sin embargo, tiene muchas causas, y las microfinanzas no son la solución, sino sólo una parte de la misma. Las microfinanzas cumple el papel de estímulo para aquéllos que tienen la capacidad de ganarse la vida con su propio emprendimiento. Pero la cooperación al desarrollo sigue siendo necesaria para financiar áreas cruciales tales como la educación, la salud, la infraestructura y los sistemas legales, en tanto los presupuestos nacionales sean. En particular, si se trata de la exportación de productos, el sistema actual de los mercados internacionales constituye una barrera. En este sentido, el acceso a los mercados occidentales, especialmente para productos agrícolas, está

protegido, mientras que los países occidentales sí pueden exportar a países en desarrollo. En tanto y en cuanto no se equilibre la situación, será necesario el Comercio Justo.

Dado el auge de las microfinanzas, cada vez más fondos, bancos instituciones y donantes están deseosos de invertir en el sector. En sí, esto representa un avance, pero también hay ciertos riesgos relacionados. El éxito de las microfinanzas depende de la capacidad y el estabilidad de las instituciones de microcrédito. Una abundancia de financiamiento disponible (a bajo costo) que resulta en un crecimiento demasiado rápido podría tener como consecuencia una facilidad extrema en el otorgamiento de los préstamos y un manejo descuidoso. Otro riesgo de la gran oferta de dinero de Occidente es que impide el financiamiento local en forma de ahorro o bonos. HTF considera sumamente importante que las IMFS reguladas y bajo supervisión del Banco Central movilizan la mayor cantidad de financiamiento local posible, por ejemplo, a través de la oferta de productos de ahorro. No sólo porque ésta es una forma en que las instituciones satisfacen las necesidades de sus clientes de poner a resguardo sus ahorros, sino también porque ésta es la forma más sostenible de financiamiento. El dinero que circula localmente estimula la economía local.

#### CARTERA DE DESARROLLO

La cartera total de HTF, que se compone de participaciones, acciones preferenciales acumulativas, préstamos, garantías y créditos para el comercio internacional (sin deducción de provisiones e inclusive deudas por cobrar de financiamientos) creció en el año 2006 el 24,4% de EUR 24.351.103 a EUR 30.289.407. En total, HTF tiene invertido 70 financiamientos con a 53 clientes.

Las cinco operaciones de financiamiento pendientes más grandes de la cartera de HTF son:

Bellwether Microfinance Fund	India	9,7%
K-Rep Bank Ltd.	Kenia	5,4%
Mibanco	Perú	5,2%
Mi-Bospo	Bosnia & Herzegovina	4,6%
Edpymes Confianza	Perú	3,8%

#### Participaciones

A diferencia de los préstamos, las participaciones se financian a través de un préstamo subordinado libre de intereses de Hivos. De esta forma, Hivos asume el riesgo total de las participaciones, pero también es beneficiario de la rentabilidad que generen. En 2006, HTF recibió un monto total de EUR 502.856 por dividendos y otros ingresos por participaciones (2005: EUR 385.182).

En general, HTF posee una participación de entre el 5% y el 20% de las acciones de cada IMF. Un funcionario sénior de Triodos Bank suele ser miembro del Directorio de la institución y contribuye activamente al desarrollo de la organización. Las aportaciones realizadas al Directorio son una combinación de elementos estratégicos, técnicos y gobierno, que se basan en el principio de "banca ética y sostenible".

En el año 2006 se ampliaron cinco participaciones existentes. El éxito de Bellwether Microfinance Fund en India como iniciador de la renovación en el sector de las microfinanzas resultó en una rápida construcción de la cartera de inversiones. Al cierre de 2006, HTF decidió comprar acciones preferenciales adicionales para permitir un crecimiento adicional.

Las demás ampliaciones de participaciones en IMFS son en Findesa en Nicaragua, Mibanco en Perú y FIE en Bolivia. Finalmente, se han desembolsado algunos tramos de una inversión comprometida en AfriCap Microfinance Fund. Todas las participaciones figuran en la descripción de proyectos de la página 40.

### **Préstamos**

HTF otorga préstamos a IMFs que se dedican a otorgar créditos a pequeños emprendedores. Sobre todo HTF financia el crecimiento de la cartera de una IMF a mediano plazo (2 a 3 años) y conforme las condiciones del mercado.

Se han otorgado nuevos préstamos a 18 IMFs, de los cuales ocho a nuevos clientes. Los nuevos clientes son: Bandari Sacco en Kenia, Pride Tanzania en Tanzania, Marang Financial Services en Sudáfrica, Finca Ecuador en Ecuador, Apoyo Integral en El Salvador, Pro Mujer en Bolivia, ODEF/OPDF en Honduras en Bereke en Kazachstan. Estos nuevos clientes se encajan exactamente en la política de HTF: son mayormente organizaciones no reguladas que se dirigen principalmente a grupos de bajos ingresos, especialmente en zonas rurales. Dichas organizaciones, además, tienen el potencial para convertirse en instituciones financieras totalmente independientes.

Mr Kimanthi Mutua, Director Ejecutivo de K-Rep Bank en Kenia: 'Actualmente, hay muchos fondos en el mundo que apoyan a las instituciones o a los bancos de microfinanzas. Literalmente, aparece uno nuevo casi todos los meses. Esto nos podría llevar a pensar que los problemas del acceso a recursos financieros son cosa del pasado. Sin embargo, no es así. A pesar de esta proliferación, el acceso al crédito sigue siendo un problema, especialmente para las IMFs africanas. Casi ningún – o ninguno – de los fondos está en condiciones de otorgar préstamos en moneda local, obligando así a las IMFs a tomar riesgos que exceden su capacidad. Sin embargo, invierten en participaciones de capital que conllevan riesgos de divisa. En ese sentido, el Fondo Hivos-Triodos es líder y modelo digno de imitar. Su capacidad de otorgar préstamos en moneda local, así como la duración de su ciclo completo, rápido y eficiente, lo distingue de la mayoría de los demás fondos”.

Las IMFs que financia HTF en general han tenido un muy buen desempeño en el año 2006 y han experimentado un fuerte crecimiento. La tabla que figura a continuación muestra el crecimiento de la cartera de créditos, de la cantidad de clientes de las instituciones en cuestión y el monto promedio del préstamo.

### **Créditos para el comercio internacional**

En 2006, se desembolsó un total de EUR 3.522.551 (2005 EUR 2.380.841) en créditos para el comercio internacional, otorgados a diez clientes en total. Ejemplos de productos financiados son el café de Comercio Justo de América Latina y África, la soja de Brasil, el sésamo y algodón de Uganda y frutas de Europa del Este. En 2006, se iniciaron nuevos créditos para el comercio internacional para cacao silvestre, nueces de Brasil y sésamo todos de Bolivia.

Los créditos para el comercio internacional son contratos tripartitos entre el importador, el exportador y el agente de financiamiento. De tal forma, se acuerda que el importador pague al exportador a través de una cuenta de HTF, de la cual HTF se reembolsa el financiamiento. Un crédito para el comercio internacional se otorga para el período entre la cosecha y el pago del comprador, que puede variar entre tres y doce meses. Dicho financiamiento permite hacer frente a la falta de liquidez, que surge a raíz de la estacionalidad de los productos.

# Kop is nog niet vertaald

DESCRIPCIÓN DE LAS INSTITUCIONES DE MICROFINANZAS AL 31 DE DICIEMBRE DE 2006

<i>Institución</i>	<i>País</i>	<i>Clientes de préstamos</i>	
		2006	2005
Akiba Commercial Bank	Tanzania	15.528	15.614
AMC	El Salvador	11.371	9.516
AMRET	Camboya	141.957	121.699
Apoyo Integral	El Salvador	26.856	***
Bai Tushum	Kyrgyzstan	4.916	3.663
Bandari Sacco*	Kenia	5.415	***
Banco Solidario	Ecuador	149.490	153.452
Bereke	Kazajistán	4.015	***
Bhartiya Samruddhi Finance	India	192.566	135.443
Cashpor	India	**	103.714
Centenary Bank	Uganda	68.359	58.018
Credito Amigo s.A.	Bolivia	3.703	3.365
Edpymes Confianza	Perú	33.739	24.132
Edpymes Crear Tacna s.A.	Perú	9.426	7.934
FAMA	Nicaragua	**	38.586
FDL	Nicaragua	61.555	48.261
FFP FIE	Bolivia	71.334	56.446
FINCA Ecuador	Ecuador	51.195	43.140
FINCA Uganda	Uganda	46.236	42.382
FINCA Tanzania	Tanzania	37.900	44.659
Findesa	Nicaragua	49.395	29.561
Kazakhstan Loan Fund	Kazajistán	22.388	16.436
K-Rep Bank	Kenia	50.017	30.355
KSPPP Nganjuk (voorheen YPP)	Indonesia	****	3.361
Marang Financial Services	Sudáfrica	22.305	***
Mibanco	Perú	221.802	151.149
Mi-Bospo	Bosnia y Herzegovina	19.412	14.272
Fundación José Nieborowski	Nicaragua	22.259	19.790
Edpymes Nueva Vision	Perú	8.629	6.747
ODEF ODPF	Honduras	17.023	***
Edpymes Proempresa	Perú	22.162	14.392
FFP Prodem	Bolivia	77.476	68.786
Pride Tanzania	Tanzania	89.895	***
Pro Mujer	Bolivia	74.106	***
Share	India	**	754.525
Small Enterprise Foundation	Sudáfrica	37.985	31.765
Socrema	Mozambique	10.209	6.324
Thaneakea Phum Cambodia	Camboya	56.007	43.338
Uganda Finance Trust	Uganda	15.629	17.052
Uganda Microfinance Ltd	Uganda	28.873	31.145
<b>Total</b>		<b>1.781.133</b>	<b>2.149.022</b>

*Información no auditada provista por las instituciones*

\* Información al 30 de septiembre 2006

\*\* Préstamo reembolsado en 2006

\*\*\* No recibió financiamiento en 2005

\*\*\*\* Sin datos disponibles

Porcentaje mujeres		Cartera (USD x 1.000)		Préstamo promedio (USD)	
2006	2005	2006	2005	2006	2005
****	****	14.701	17.728	947	1.135
64%	64%	9.669	6.573	850	691
82%	83%	17.524	11.299	123	93
73%	73%	26.926	***	1.003	***
****	40%	10.007	6.755	2.000	1.844
****	****	15.098	***	2.788	***
57%	55%	243.562	207.165	1.629	1.350
88%	91%	1.947	***	485	***
44%	32%	31.001	22.201	161	164
100%	100%	**	9.070	**	87
****	****	86.523	53.150	1.266	916
****	****	1.286	1.058	347	314
46%	50%	37.761	22.063	1.119	914
55%	54%	13.014	8.626	1.381	1.087
76%	76%	**	20.330	**	527
58%	59%	44.152	33.068	717	685
62%	47%	101.695	73.850	1.426	1.308
95%	87%	25.035	17.785	489	412
82%	89%	8.412	6.256	182	148
100%	97%	5.640	6.499	149	146
55%	55%	87.923	55.498	1.780	1.877
78%	79%	26.188	11.514	1.170	701
53%	55%	53.711	34.712	1.074	1.144
****	****	****	118	****	35
97%	****	3.755	***	168	***
55%	53%	319.978	206.606	1.443	1.367
100%	100%	24.410	15.592	1.257	1.092
54%	****	20.046	14.957	901	756
50%	****	7.353	5.400	852	800
64%	62%	14.225	***	836	***
45%	52%	17.882	11.648	807	809
50%	49%	135.491	108.944	1.749	1.584
62%	65%	15.274	***	170	***
100%	95%	13.562	***	183	***
100%	100%	**	88.714	**	118
99%	99%	5.986	4.873	158	153
49%	58%	10.352	5.020	1.014	794
89%	86%	7.194	4.427	128	53
70%	70%	7.753	7.398	496	434
43%	51%	13.777	11.257	477	361
		<u>1.478.813</u>	<u>1.110.154</u>		

**Balance al 31 de diciembre de 2006**

La cartera total de HTF aumentó en 24,4% a EUR 30.289.407. Al cierre de 2006, el 27,4% de la cartera estaba compuesta de participaciones, el 65,5% de préstamos y el 7,1% de créditos para el comercio internacional.

Dado el rápido desarrollo que tuvieron en su inicio las microfinanzas en América Latina, HTF tiene tradicionalmente una fuerte presencia en la región. De acuerdo con la política de HTF, la cartera se diversificó en los últimos años, como resultado de lo cual se aumentaron las inversiones en África. Dicha tendencia continuó en el año 2006.

**Cartera por región en euros**

	31.12.2006	31.12.2005
Región América Latina y el Caribe	11.782.365	10.039.166
Sub-Sahara África	10.457.969	8.681.472
Este Asia y Pacífico	1.759.084	1.019.339
Europa del Este	1.400.000	1.383.333
Sur de Asia	3.497.425	2.427.793
Asia Central	1.392.564	800.000
	<u>30.289.407</u>	<u>24.351.103</u>

La ampliación de la cartera cuenta con dos fuentes de financiamiento:

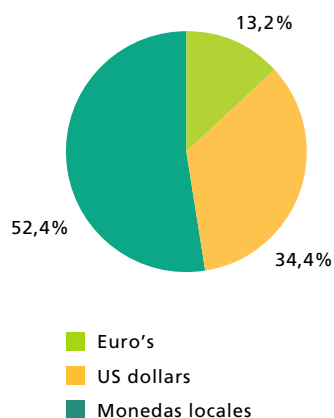
1. Las participaciones se financian a través de un préstamo subordinado libre de intereses de Hivos. La inversión en acciones preferenciales especiales clasificadas se financia a través de dicho sistema.
2. Para la parte restante, HTF obtiene financiamiento a través de préstamos a mediano plazo o un sobregiro de un cuenta corriente de Triodos Bank, garantizadas por Hivos y particulares.

**Estado de resultados 2006**

Como consecuencia del aumento de la cartera, el margen financiero bruto se incrementó el 29,5% de EUR 1.192.260 a EUR 1.543.867. Además, se obtuvo una ganancia de carácter exclusivo en concepto de un reembolso de IVA de EUR 401.776. Los gastos se relacionan con los honorarios por administración, gastos de publicidad, honorarios de auditoría y otros gastos. El resultado operativo, después de deducir dichos gastos, aumentó de EUR 500.011, en 2005, a EUR 1.235.766, en 2006. Dicho resultado operativo se añadirá en su totalidad a la provisión genérica. Las pérdidas por diferencia de cambio, según lo acordado, serán recuperadas por Hivos.

**Resultados por diferencia de cambio**

El siguiente diagrama muestra que el 52,4% de la cartera se compone de financiamiento en moneda local (2005: 48,9%). Este elevado porcentaje es característico de HTF. HTF puede permitirse asumir este riesgo relativamente alto gracias a la disponibilidad de Hivos a hacerse cargo del riesgo de cambio. Se trata de una decisión tomada por Hivos a conciencia, ya que muchos de los socios de HTF operan a pequeña escala y no están en condiciones de afrontar o cubrir dicho riesgo. La suba del valor de las monedas locales con respecto al euro tiene una ganancia por diferencia de cambio como consecuencia, mientras que la baja del valor arroja una pérdida por diferencia de cambio.



El resultado por diferencia de cambio de HTF depende en gran medida de la evolución del tipo de cambio EUR-USD. Si bien el riesgo de tipo de cambio directo para préstamos en

dólares USA se cubre mediante transacciones de divisas a plazo, muchas divisas locales en las que HTF ofrece financiamiento están muy influidas por el dólar estadounidense. En parte, como consecuencia de la baja del dólar estadounidense con respecto al euro en 2006, distintas monedas locales también se han depreciado frente a la divisa europea. Por tanto, después de compensar los resultados por transacciones de divisas a plazo, HTF registró un resultado negativo por diferencia de cambio de EUR 1.021.653. En 2005 se había registrado un resultado positivo de EUR 464.898, que se añadió a la reserva de diferencias de cambio. Dicha reserva se emplea para cubrir el resultado negativo del año 2006. El monto restante de EUR 556.755, según lo acordado, será compensado por Hivos.

#### **Constitución de la provisión genérica**

La calidad de la cartera de HTF, medida en función del bajo nivel de préstamos en mora, continúa siendo elevada a pesar de su perfil de riesgo deliberadamente alto. En 2006, tuvo lugar una nueva adición de provisión específica.

Esta adición se refiere a un crédito para el comercio internacional que se había otorgado a un exportador de aceites esenciales biológicos en Sudáfrica. La rotura de un dique como consecuencia de fuertes precipitaciones había causado serios daños a la plantación, lo que detuvo la producción e impidió que se reintegrara el financiamiento de la cosecha planeada. Se realizó una provisión por el total del monto inclusive los intereses. Actualmente se están estudiando las posibilidades de retomar las actividades con el cliente.

El volumen de las provisiones específicas con respecto a la cartera de préstamos asciende a EUR 478.595; 2,2% de la cartera total, excluyendo participaciones. Los movimientos en la provisión específica se acreditan a o debitan de la provisión genérica. La política de HTF es formar una provisión genérica de entre el 5% y el 10% de la cartera de préstamos pendientes. En el año 2006, se resolvió cargar el total del resultado operativo de EUR 1.235.766 a la provisión genérica, que así alcanzó un nivel de EUR 1.906.776, es decir 8,7% de la cartera de préstamos. Esto significa que, para el año 2006, nuevamente no será necesario recurrir a los garantes particulares. Éste es el cuarto año consecutivo en que no se exigen las garantías.

La liquidación de pérdidas se puede ilustrar de la siguiente forma:

<b>Liquidación de pérdidas 2006</b>	<b>2006</b>	<b>2005</b>
<b>Pérdidas</b>		
Resultados de tipo de cambio	-/- 1.021.653	464.898
Constitución de provisión genérica	-/- 1.235.766	0
<b>Liquidación</b>		
A cargo de resultado operativo	1.235.766	0
A cargo de reserva por diferencias de cambio	464.898	-/- 464.898
A cargo de garantías particulares	0	0
A cargo de Hivos	556.755	0

#### **Plan Norte-Sur**

A través del Plan Norte-Sur, Hivos y Triodos Bank desean ofrecer la posibilidad a particulares en los Países Bajos de participar en proyectos en países en desarrollo. Esto se puede llevar a cabo de dos maneras:

Los particulares pueden abrir una cuenta de ahorro Norte-Sur (internet) en Triodos Bank. El volumen de dicha cuenta sirve como fuente de financiamiento para el préstamo que Triodos Bank otorga a HTF. La cuenta de ahorro Norte-Sur (internet) es una cuenta de fácil acceso con un interés conforme las condiciones del mercado.

Los particulares que quieren apoyar aún más a HTF pueden ofrecer una garantía, con el fin de avalar el crédito que Triodos Bank concede a HTF. Por cada monto de garantías

particulares Hivos está dispuesto a ofrecer una garantía equivalente a nueve veces su valor. De hecho, las garantías particulares determinan el alcance del crecimiento de HTF y constituyen una base importante para la política que puede implementar HTF.

En el año 2006, se realizó una campaña de marketing con el propósito de aumentar el crecimiento tanto del ahorro como de las garantías Norte-Sur. La utilización de folletos, correspondencia y avisos tuvo como resultado un aumento del volumen de los ahorros Norte-Sur de EUR 18.739.719 a EUR 21.251.219. La cantidad de ahorristas se incrementó de 2.089 en 2005 a 2.559 en 2006. El volumen de garantías Norte-Sur (en total 341 garantías) registró un crecimiento de EUR 1.737.202 a EUR 1.901.938.

Fondos Norte-Sur depositados en Triodos Bank:

	2006		2005	
	Monto EUR	Número	Monto EUR	Número
Depósitos Norte-Sur	1.816.073	202	1.985.577	227
Cuentas de ahorro Norte-Sur	19.435.146	2.357	16.754.142	1.862
<b>Total</b>	<b>21.251.219</b>	<b>2.559</b>	<b>18.739.719</b>	<b>2.089</b>

Los ahorristas Norte-Sur tienen la posibilidad de asignar al menos un uno por ciento de sus ingresos por intereses a Hivos para cubrir los costos adicionales asociados con el Plan Nort-Sur. En 2006, Hivos recibió EUR 84.838 (2005: EUR 95.795) de los ahorristas Norte-Sur y de otras cuentas con asignación específica.

#### PERSPECTIVAS FUTURAS

Las microfinanzas están experimentando un rápido desarrollo y forman parte cada vez más integral del sector financiero en muchos países en desarrollo. A fin de poder ofrecer acceso a servicios financieros para todos los niveles sociales de la población, es necesario contar con gran diversidad de proveedores. Los proveedores comerciales cubren, en primer lugar y por lo general, los mercados de más fácil acceso en las grandes ciudades. La política de financiamiento de HTF procura, en particular, ofrecer acceso a los servicios financieros a los grupos de más bajos ingresos, especialmente en zonas rurales y otros mercados vulnerables.

Además, HTF trabajará activamente en el crecimiento de la cartera de créditos para el comercio internacional. El Fondo ya está persiguiendo el crecimiento de mercados existentes, como el del café Max Havelaar, y además procurará extender a nuevos productos certificados Comercio Justo y/o orgánico, tales como cacao, plátano, té, arroz, azúcar y miel.

En 2007, en parte gracias a los fondos otorgados por Hivos, HTF prevé un crecimiento de la cartera de EUR 3 millones. Una vez más será prioritario el financiamiento en África y Asia. HTF prevé que estará en condiciones de seguir con la distribución actual del financiamiento por producto y por divisa.

Zeist, 27 de marzo de 2007

P.H. Aeby  
P. Blom  
*Junta Ejecutiva*



## BIOGRAPHICAL DATA

### *Board of Management*

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Peter Blom

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Herman Schoenmaker  
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