



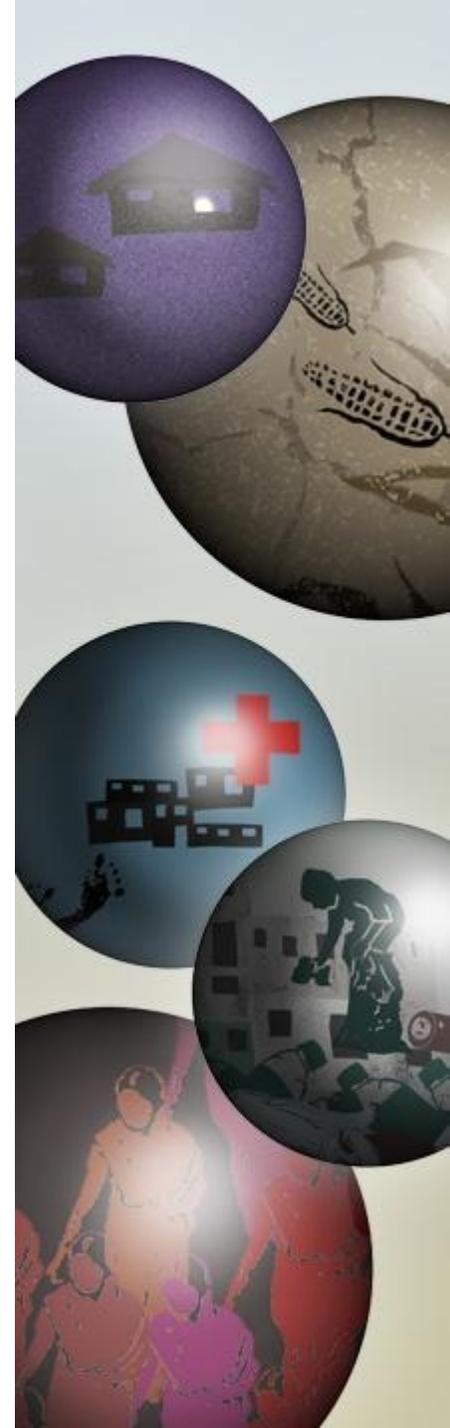
ICats Fellowship 2016

Santiago Cortes

Impact Report

LGT Venture Philanthropy

March 2016





Santiago Cortes (Colombia)

Host organization: LGT VP Colombia Office

ICats role: LGT VP Investment Associate

ICats duration: March 2015 – March 2016 (Full-time)

Degree: Master in Strategic Management (Madrid)

Professional experience: Management consultant with 5 years of experience in market-based development projects in East Africa, South East Asia and Latin America.

Summary

Leveraging his international experience and management consulting background, Santiago contributed in pipeline development, sectors mapping and portfolio management at LGT VP's Colombia Office. He was able to identify high potential agricultural value chains where LGT VP could get involved in order to build and consolidate responsible sourcing models that increase farmers' income in more than 45%.

LGT VP's Colombia Office Challenges

- Colombia is a highly unequal country with massive gaps between rural and urban populations.
- Smallholder farmers are extremely isolated from the formal economy due to poor infrastructure, weak rural private sector and the ongoing armed conflict.



Potential Solutions

- Identify market opportunities for agricultural products, seeking to capture more value for small-holder farmers by rewarding quality and good farming practices
- Given the high informality and weak organizational capacity among rural companies and cooperatives, LGT VP should invest and support anchor companies with the capacity of integrating farmers to their supply chain in a fair basis

Opportunity for an ICats Fellow

There was an opportunity for a fellow with experience in analyzing industries to map different agricultural value chains to identify high-potential opportunities for impact investing.

"I gained a very strong understanding of the challenges that the agriculture sector faces in Latin America. Gladly, I also understood how to start tackling these issues and identified what role should impact investing play in this endeavour."

Santiago C.

Santiago's achievements in investments ...



Coffee company's head of quality overseeing roasting process

...in strengthening the sector



Discussing challenges for social enterprises with M. Yunus

...and also in philanthropic projects



Healthy Smiles children in educational workshop

- Successfully mapped the cocoa and coffee sectors in Colombia, identifying key players and challenges
- Identified high-potential investment opportunities for LGT VP in order to reach the most vulnerable communities in rural Colombia
- Initiated and led the relationship and conducted a major part of the due diligence process for an equity investment in fast-growing specialty coffee exporting company
- Completed internal consulting projects to portfolio companies to professionalize their organizational capacity and maximize their impact potential

Santiago's next challenge

Santiago will attend graduate school in the United States focusing in International and Public Affairs to continue seeking to maximize his impact potential.

- In addition to Santiago's contribution in portfolio management and pipeline development, he also guaranteed that a dental health philanthropic project achieved the expected impact
- The "Healthy Smiles" project provided free dental procedures and educational workshops to more than 1,100 children in vulnerable communities of the Caldas region in Colombia
- These dental and educational interventions will be complemented by an academic study of the project to gather and publish useful findings and lessons learned to be used as inputs by future, public or private, interventions