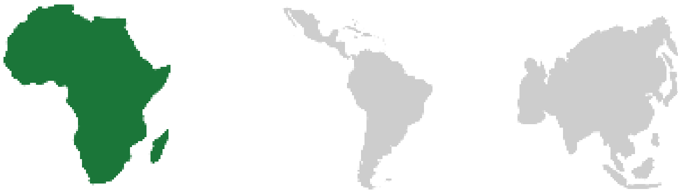
Smallholder SustaiNability Upscaling Programme

STRUCTURING A ROBUST FINANCIAL GOVERNANCE FRAMEWORK FOR THE SUSTAINABLE GROWTH OF AN AGRI-SME IN MADAGASCAR



Africa | Latin America | Asia

Financial services delivery | Capacity building for end beneficiaries | Market access and product development | Management systems improvement

CONTEXT

Lying off the southeastern coast of Africa, Madagascar is the world's fourth-largest island in the world. The spice and pulses value chains, notably vanilla and clove, are of major economic importance for the country which exports approximately 3,000 tonnes of vanilla and 60,000 tonnes of clove annually. Vanilla alone supports around 80,000 livelihoods and represents approximately 7% of the national GDP of the country and up to 15% of its total export revenues. It produces around 75% of the world's natural vanilla supply. The clove sector counts around 18,000 producers. Despite price volatility, global demand for both vanilla and clove are structurally growing, at an estimated 5% per year, driven by European and North American markets seeking certified, traceable, and sustainably sourced products.

CURRENT STATUS OF THE BENEFICIARY ORGANISATION

Based in Madagascar and founded in 2021, the Concordia Group is a vertically integrated sustainable agribusiness actor operating in various value chains, mainly clove and vanilla. The company works with 2,600 partner producers, organised into 12 cooperatives and employs 118 permanent staff. Concordia operates through Concordia SA, the holding company, and three complementary subsidiaries: Madagascar Consulting (MC), focused on vanilla and clove sourcing and export; Madagascar Consulting Ingredients (MCI), dedicated to diversification into other spices and legumes; and Big Sky Estates (BSE), which manages industrial and logistics infrastructure. This structure supports value creation while preserving traceability and producer linkages.

OBJECTIVE OF THE PROJECT

The objective is to support the sustainable growth of the organisation by reinforcing its financial and operational governance. Miarakap, I&P's partner fund in Madagascar, will oversee operational supervision and project governance.

Th expected results of the project are:

- Conduct a comprehensive diagnostic report on group governance, internal control systems, and international tax risks.
- Define a governance procedures manual for all group entities.
- Develop a group level consolidated financial reporting dashboard and steering tools thanks to the recruitment of a CFO.

PRIORITY TOPICS

Environment and climate change

Food security and improved nutrition

Gender equality

Fair agrifood systems

IMPACT INVESTOR

INVESTISSEURS & PARTENAIRES

BENEFICIARY ORGANISATION

Concordia SA (agri-SME) – Madagascar, working with 2,600 smallholder farmers

AGRICULTURAL VALUE CHAIN

Multiple

STARTING DATE

September 2026

DURATION

12 months

TOTAL TA BUDGET

€45,522
Including €39,138 (86%) contribution from SSNUP

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