



Cultiba

Enabling Colombian smallholder farmers
to engage in agroforestry

The Social Problem



5.2m Colombian smallholder farmers live on less than **\$1/day**.



48% of these smallholder farmers own land but...

- Have limited capital to procure quality inputs.
- Unable to invest in long-term plantations with high profit margins.
- Lack access to markets and buyers.



The Environmental Problem



Mass illegal deforestation of balsa trees across Colombia driven by increase in demand.



Global demand for balsa grew by **400%** in 2020 reaching **\$800m**.



Balsa is a key input in the production of wind turbine blades. **150m³ of balsa** / 100m blade.



Balsa is **cut illegally** from protected areas and “laundered” by mixing it with other tree species.



The Opportunity



Balsa is native to Colombia and is used in **agroforestry** to improve soil quality by retaining water and reducing erosion.



Balsa grows fast and can be sustainably **harvested after 5 years.**



The Colombian government provides a **forestry incentive** to plant balsa trees, subsidizing **40%** of the set-up costs and **50%** of maintenance costs over 5 years.



Our Solution: Enable Colombian smallholder farmers to plant balsa trees on unproductive land alongside food crops they already grow.

■ **Farmer contributes:**

Land
+
Labor
+
Security



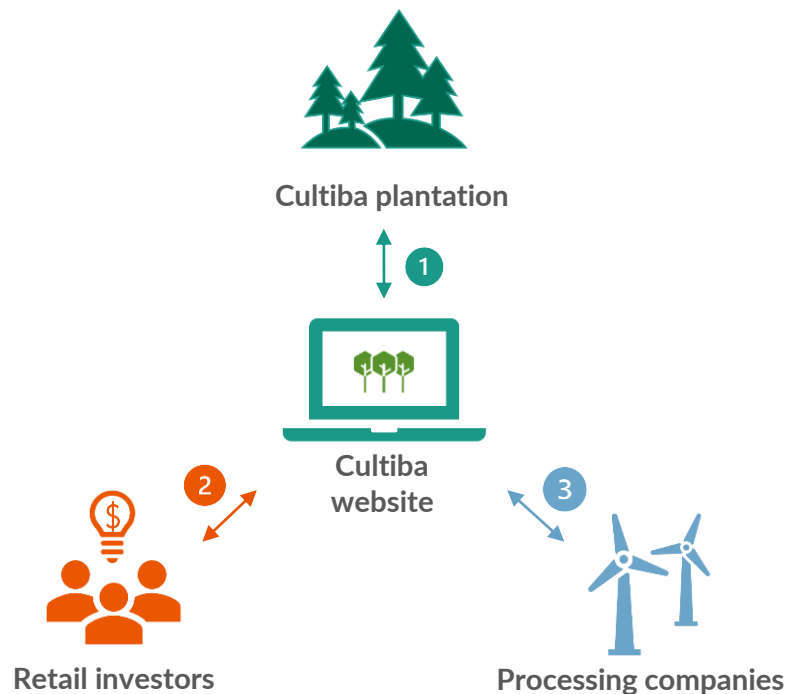
■ **Cultiba contributes:**

Inputs, Training, and Harvesting
+
Access to Forestry Incentives
+
Access to Fair Market prices

Low risk: Zero financial contribution from smallholder farmers.

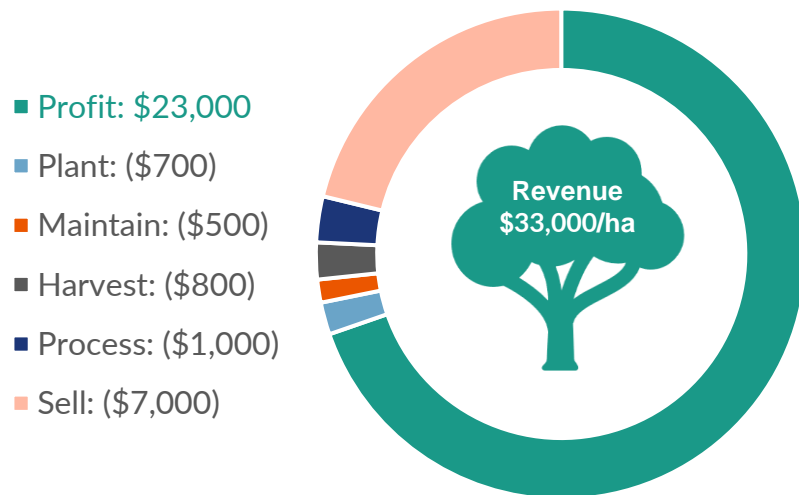
Cost competitive: By getting the land and labour at no cost we can plant trees cheaper than competition.

Project goal: Unlocking our cashflow



- 1** Through our website we sell balsa trees to retail (individual) investors at **\$15/tree**.
- 2** Retail investors **unlock our cashflow** allowing us to pay smallholder farmers a **monthly income** that enables them to engage in agroforestry.
- 3** After 5 years we harvest our balsa trees and sell them to processing companies. Our retail investors receive an estimated **20% ROI**.

Unit economics per hectare planted



- Smallholder farmers earn **\$10,000/ha planted** (\$167/ha/month over 5 years).
- After 5 years Cultiba earns **\$10,000/ha planted**.
- After 5 years retail investors recover their investment + **20% ROI (\$3,000/ha planted)**.



How we'd spend the funding

Total: 20,000 GBP

Item	Description	Unit	Amount Required	Unit Price GBP	Total GBP
					GBP
Developer	Website development (User interface and backend)	Contract	1	5,000	5,000
Copywriter	Content creation and infographics for website	Contract	1	4,000	4,000
Legal support	Contract development for investors	Contract	1	5,000	5,000
Online marketing	Marketing activities to promote website	Month	12	500	6,000
				Total	20,000

Traction – rapid early growth



Partnered with **20 Colombian smallholder farmers**, validating interest in partnership model.



Signed **offtake agreement** with Cobalsa Ltd. (local balsa producer), validating local market and price of sale for balsa wood.



Planted **10,000 balsa trees**, validating plantation set up costs.



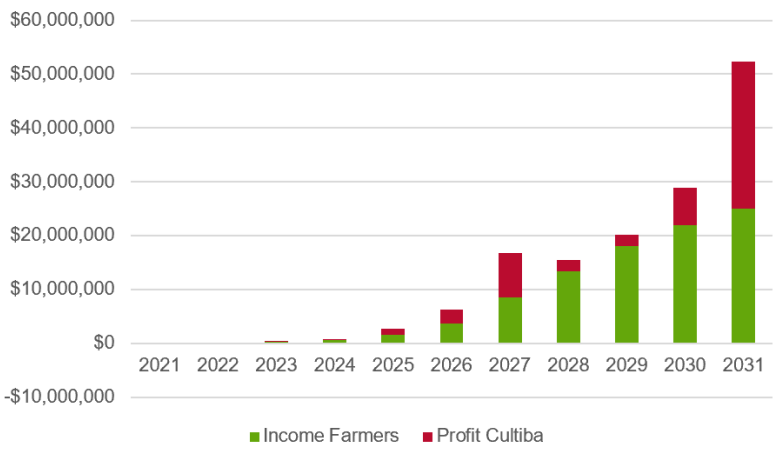
D-prize winner, receiving **\$20,000 initial investment**.

Next steps: Launch our website to sell planted balsa trees to retail investors.



Growth Trajectory

Growth projections



- 2021 - 2022 financial requirements: \$120,000 to be sourced through grants and own funds. (\$20,000 grant already secured from D-prize)
- Launch website with investment functionality in 2022.
- Cashflow positive in 2023.
- Start harvesting trees in 2026.
- \$25m profit by 2031.

Impact metrics



2.5m balsa trees planted by 2026. Reduction in illegal deforestation of balsa by increasing sustainable supply at cost competitive price.



5,000 Colombian smallholder farmers engaged by 2026. Improve farmer's soil quality through agroforestry practices and increase their agricultural yields.



\$25m paid to Colombian smallholder farmers by 2030. Double their income and support them to grow out of poverty.



312,000 tons of CO2 sequestered by 2030.

Have any questions?

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