



# AGRF SUMMIT 2020

8-11 SEPTEMBER  
KIGALI, RWANDA

## Partner Event Report - Unlocking Sustainable Financing for Africa's Food System through SMEs

### Partner Event Number, Date and Time:

Date: September 7, 2020  
Time: 9:30 am CAT

### Partner Event Title and Organizers:

Event Title: Unlocking Sustainable Financing for Africa's Food System through SMEs.  
Organizers: AFEX, SAFIN and AGRA

### Key speakers/presenters:

Hedwig Siewertsen - Head of Inclusive Finance, AGRA (Moderator)  
Ms. Sara Mbagu – Bhunu - Director, East and Southern Africa Division, IFAD (Presenter)  
Ayodeji Balogun - CEO, AFEX Commodities Exchange Limited  
Dyborn Chibonga - Regional Head, Southern Africa, AGRA  
Dr Edward Isingoma - Managing Partner, Pearl Capital Partners Uganda Ltd  
Elizabeth Gikebe - Founder/ CEO, Mhogo Foods  
Aissata Diakete – Founder/ Director, Zabbaan Group

### Main themes/issues discussed

The session directly looked at how existing, established agriSMEs on the continent are presenting an interesting variety of models and investments geared at enhancing access to markets for small scale producers. Conversations by the speakers focused on the following key themes:

- The main driver for SMEs to source produce from small scale producers
- Gaps in the ecosystem that need to be filled so that small scale producers can feed the cities
- Investable models in play that are increasing access to finance for small scale producers
- Challenges that these SMEs face when trying to access finance to scale solutions

### Summary of key points

The presenter for the session recognized the crucial role that the wider food economy plays, not only in its primary role of provision of food in good quality and quantity for the continent but as a major contributor to the domestic economy by creating employment opportunities for about 54% of Africa's population. SMEs were highlighted as being an important agent of development in the financing of the agricultural sector, and acting as the key intermediary between the farmers and markets. The following key points were drawn out in the course of the panel discussions:

- Market, skills, and finance need to be solved simultaneously to build sustainable capabilities in the sector for a systemic change.



## AGRF SUMMIT 2020

8-11 SEPTEMBER  
KIGALI, RWANDA

- Outgrower schemes, warehouse receipts and a great infrastructure for SMEs to thrive within are very important.
- Equipping farmers with entrepreneurial skills to enjoy continuity in earnings is essential.
- Scalability is central to any business model strategy and to ensure that we need to upgrade SMEs technological and financing capabilities.

### **Call to Action Key Points**

To unlock financing for Africa's food systems, it is critical to establish a vibrant agricultural economy where SMEs can spearhead a systematic change in simultaneously enabling an increase in talent & productivity, access to finance for scale, and access to an effective market system. Some direct CTA's from the session included:

- Collaboration by SMEs across the value chain
- Emphasis on attracting talent & enhancing productivity for agriSMEs
- Smart partnerships with commercial banks
- Supporting investment in agricultural infrastructure and farmer cooperatives