

Boosting African Agriculture through Partnership, Investment and Technology

King Fahd Palace Hotel | Dakar, Senegal

Conference Report

25-28 November 2012





CONFERENCE REPORT

AgriBusiness Forum 2012:

**Boosting African Agriculture through
Partnership, Investment and Technology**

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Applications for such permission should be addressed to:

EMRC International

Avenue Louise, 287

1050 Brussels - Belgium

Tel. :+32 (0)2 626 15 15

Fax :+32 (0)2 626 15 16

E-mail : info@emrc.be

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Report written by Pierre Coetzer

Graphic Design : www.curlie.be

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Foreword by the President of EMRC International

Prof. Pierre Mathijsen

Former Director-General for Regional Development at the European Commission

Dear participants,

EMRC is pleased to present a detailed report of its annual AgriBusiness Forum, which was held this year in Dakar, Senegal, from 25 to 28 November, 2012, and was attended by more than 350 people from all over the world. The purpose of this yearly event was to contribute to the development of Africa's agricultural sector.

As I mentioned during the conference, Africa used to be, years ago, not only self-sufficient where food is concerned, but even an exporter of agricultural products. This, unfortunately, changed dramatically, when Europe and the United States, to name but a few, started increasing their own production and subsidizing the exports of their surpluses. Thanks to concerted efforts, this is about to change, and EMRC wants to help developing this trend.

EMRC tries to do this by "bringing together", in Africa itself, on the one hand, private agricultural entrepreneurs interested in expanding, improving, diversifying or up-grading their undertakings, and for which they look for partners and investors, and, on the other hand, experts, entrepreneurs, donors, financial institutions, banks, etc, which are interested to partner and to contribute to that effort.

This method, we are delighted to say, seems to work, and EMRC wants to expand and improve it. For that we also need your help in the form of suggestions, comments, explanations and description of results. That way, you also can help fulfill the objective of our annual AgriBusiness forums.

If you are convinced that our method can and does indeed work, please spread the word around you, and we look forward to meeting you again at one of our next Forums!

Once again, thank you for your participation and contribution.

A handwritten signature in black ink, appearing to read 'P. Mathijsen'.

Prof. Pierre Mathijsen

President, EMRC Executive Committee





Foreword by UNDP Regional Bureau for Africa

On behalf of the United Nations Development Programme (UNDP), I congratulate the over 350 participants from some 50 countries of all corners of Africa and beyond for the very informative and successful AgriBusiness Forum 2012 edition, held in Dakar, Senegal, on 26-28 November 2012.

As the backbone for most African economies agriculture employs around 60% of Africa's labour force, and as such inclusive growth in agriculture is key to poverty eradication and sustainable human development in our region.

The 2012 Forum has been instrumental in reinforcing the notion that inclusive value chains in agribusiness and agriculture are the cornerstone to advance food security and economic opportunities for the majority of the poor in Africa's rural areas. A new and vibrant private sector is emerging in the Continent, with great potential for creating new jobs, generating higher incomes and delivering food products and services.

The discussions were rich, covering important topics related to agribusiness, food and nutrition, access to technology, finance and markets; the side meetings were highly productive for networking and building partnerships.

Especially uplifting were the inspiring life stories, energy and leadership that African youth displayed at the Forum. Several of those stories are contained in this report. It is encouraging that youth is already showing leadership, in asserting its place as the next generation of successful farmers and entrepreneurs in Africa.

The Forum was witness to the momentum that already exists thanks to significant steps that are being taken by the private sector, governments, and civil society organizations, namely following the recommendations of the 'Johannesburg Declaration on Engaging the Private Sector in Furthering Africa's Agribusiness and Food Security Agenda', adopted at the 2011 Forum. But a lot more must be achieved.

Through its Africa Facility for Inclusive Markets, UNDP will provide an action-oriented platform to follow up and facilitate targeted activities, in order to contribute, so that make the aspirations of the poor, become a reality on the ground. In this endeavour we will thrive to empower women and young people so that Africa's potential can truly be unleashed, for the benefit of all.

We hope that you enjoy reading this report and that it represents an important reference to all those concerned with supporting African countries in refocusing their agricultural growth strategies for sustainable human development.

Gita Honwana Welch
Director, UNDP Regional Service Centre, Dakar



Foreword PanAAC

The 2012 AgriBusiness Forum edition took place in Dakar, with the participation of 350 people coming from all continents in addition to the presence of around 50 farmers from all regions of Senegal.

The State of Senegal, having registered the Forum in its official International Conferences calendar, engaged itself alongside the Pan African Agribusiness and Agroindustry Consortium (PanAAC), EMRC and UNDP to ensure the forum's success.

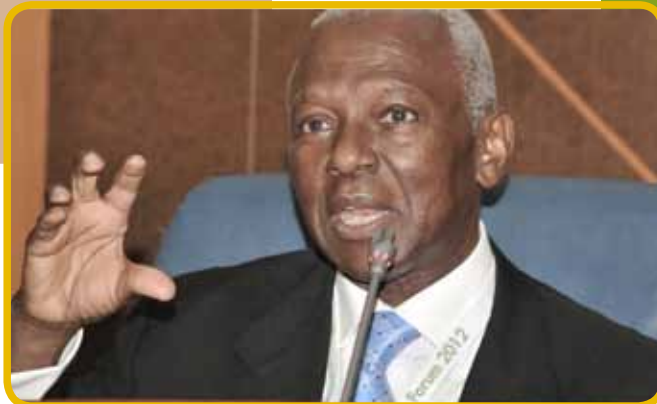
To achieve this, the Prime Minister, the Minister of Foreign Affairs and the Minister of Agriculture, in addition to their respective collaborators, provided a professional yet discrete support to the entire Forum's activities. For this we must thank and recognize the State of Senegal, in particular the President of the Republic who accepted to endorse the event.

The multitude of events, workshops and plenary sessions allowed for the forum's theme to be fully spotlighted: "Boosting African Agriculture through Partnership, Investment and Technology", with two major conclusions proving pivotal.

1. Agriculture is not a sector reserved solely for farmers, all the players in the value chain must be taken into account: input suppliers (seed, fertilizer, machinery), services in packaging, processors, marketers, transporters, extension & food services, financiers and others involved in the agribusiness value chain. This vision ensures that no links are missed within the agricultural sector.
2. The Agribusiness sector is not a sector reserved for the big commercial farms only, but also for small farmers or for peasants who decide to make profitable business out of their farm activities, whether big or small. In fact, a group of Senegalese farmers who protested in the streets of Dakar to mark their opposition to agribusiness used their democratic rights whilst others judged it worthwhile to participate in the AgriBusiness Forum to discover that there was a place for them to establish partnerships, find financiers and discover new technologies adapted to their farming systems.

PanAAC was honoured to have been associated to the 2012 edition with EMRC and UNDP and in collaboration with FAO, Rabobank and in partnership with FARA, UNIBRAIN, USAID, ITC, Africare, Afrexim Bank with the ultimate goal to mobilize and engage Africa's private sector in the agribusiness and agroindustry sectors.

Lucy Muchoki
PanAAC CEO on behalf of the Chairman



PREFACE

The EMRC AgriBusiness Forum has become firmly established within the annual African affairs agenda. Originally held in Europe, it is now hosted by an African city: Held initially in Cape Town in 2009, followed by Kampala in 2010, and Johannesburg in 2011, Dakar was nominated as this year's host, a first for West and francophone speaking Africa.

This year the Forum was organised in partnership with the UNDP and PanaAAC, again a first for the forum, providing an even stronger pan-African and international platform. The AgriBusiness Forum gathers a wide range of agribusiness professionals, including industry leaders, cooperatives, SMEs, financiers, entrepreneurs, Government officials, civil society, researchers, international and donor organisations interested in broadening their networks, creating new partnerships, learning about the latest technologies and developments in agribusiness, and staying at the forefront of the advancement of agribusiness across Africa and beyond in response to rising global demand for food.

The Forum provides an ideal platform for business networking within the private sector as well as the opportunity to interact with high-level government officials and decision makers.

EMRC'S GOALS AND MISSION

EMRC is an international organisation whose mission is to promote sustainable economic development in Africa by supporting and growing business partnerships, with a specific focus on economic and trade relations with the private sector. EMRC is composed of a vast network of entrepreneurs, financiers and officials from over a hundred countries around the world.

In order to achieve its mission, EMRC develops the following initiatives:

- The AgriBusiness Forum, which takes place annually and attracts an average of 400-500 experts and decision makers from across the world, including multinationals, SMEs, farmer organisations, financiers, donors, researchers, governments, development organisations, NGOs and consultants. Originally held in Europe, the Forum now takes place in an African business hub. Each edition of the Forum revolves around a core theme that tackles the challenges and opportunities in the agro-food sector.



- The Africa Finance & Investment Forum (AFIF) aims at strengthening the private sector in Africa and promoting the creation of new business partnerships through the encouragement of joint projects North-South & South-South. The forum is designed for entrepreneurs interested in securing finance for projects and seeking partnerships, as well as for policy makers, financiers and bankers. AFIF takes place annually in Europe and is organised in collaboration with leading financial institutions
- Tailor-made Forums, Agricultural and Economic Missions – EMRC organises country visits with the goal of promoting inter-regional relations and business partnerships.

Two key components of EMRC events are the **Project Incubator Award**, and the **business to business meetings – B2B**.

→ UNDP'S GOALS AND MISSION

The United Nations Development Programme (UNDP) is the UN's global development network, advocating for change and connecting countries to knowledge, experience and resources to help people build a better life since 1966. UNDP partners with people at all levels of society to help build nations that can withstand crisis, and drive and sustain the kind of growth that improves the quality of life for everyone.

On the ground in 177 countries and territories, UNDP offers global perspective and local insight to help empower lives and build resilient nations. UNDP's regional project, African Facility for Inclusive Markets (AFIM), is working to reduce poverty and accelerate progress towards the Millennium Development Goals (MDGs) by supporting pro-poor economic growth and inclusive market development (IMD) across Sub-Saharan Africa. AFIM's strategy seeks to provide low-income people with the tools and resources to lift themselves out of poverty through private sector initiatives at the regional and country levels.

→ PANAAC'S GOALS AND MISSION

PanAAC is a private sector driven platform bringing together agribusiness and agro industry value chains and support services to enable them to access information, knowledge, strategic partnerships and financial remediation.

PanAAC constituents include input suppliers, producer organisations, processors and packagers, logistic providers, wholesalers, retailers, financiers, exporters, and business development providers.

PanAAC was formed at a private sector agribusiness meeting in Johannesburg, South Africa in June 2007 followed by a consolidation meeting in Accra, Ghana in November 2007. It is registered as a not for profit organisation in Nairobi, Kenya.





ACKNOWLEDGEMENTS

EMRC, UNDP and PanAAC would like to thank the Government of Senegal and more specifically the Ministry of Agriculture and the Ministry of Foreign Affairs for hosting the AgriBusiness Forum 2012. Hosting the forum demonstrates the Government's strong commitment to support the development of the Agri-Food sector in Africa.

As in previous years, the 2012 Forum would not have been possible without the invaluable support of the **United Nations Food and Agriculture Organisation (FAO)** and **Rabobank Foundation**.

We would also like to thank our partners: **FARA, UNIBRAIN, KWARA STATE, AFRICARE, PNSA, SYNGENTA FOUNDATION, USAID, AMIRAN KENYA, AFREXIM BANK** and **ITC** for their generous support as well as to the many civil society representatives who helped us promote the forum.







FORUM AGENDA - (PROGRAMME)

Day I Sunday, 25 November 2012	
09h00	REGISTRATION THROUGHOUT THE DAY
14h00	PRECONFERENCE WORKSHOP: BASIC STEPS TO OBTAIN FINANCING FOR YOUR PROJECT <ul style="list-style-type: none"> • Waly Ndour, Deputy Director Commercial & Marketing, Crédit Mutuel du Sénégal (CMS)– Senegal • Arthur Levi, Member of EMRC Executive Committee – Belgium
16h00	PRESENTATION OF DELEGATES
17h15	ICEBREAKING EVENT
Day II Monday, 26 November 2012	
Partnership Day	
	PLENARY SESSIONS
09h00	OFFICIAL OPENING “AGRIBUSINESS FORUM 2012” <ul style="list-style-type: none"> • Abdoulaye Balde, Minister of Agriculture and Rural Equipment – Senegal • Gita Welch, Manager, Regional Service Centre, United Nation Development Programme (UNDP) – Senegal • Pierre Mathijsen, President, EMRC International – Belgium • Idit Miller, MD & Vice President, EMRC International – Belgium • Moussa Seck, Chairman, Pan African Agribusiness and Agroindustry Consortium (PanAAC) – Senegal
10h00	KEY NOTE ADDRESS <ul style="list-style-type: none"> • Amadou Ouattara, Representative, UN Food and Agriculture Organisation (FAO) – Senegal
10h15	SESSION I – AFRICA’S GDP IS FAST GROWING IN THE LAST 10 YEARS, HOW THE AGRI-FOOD SECTOR HAS CONTRIBUTED AND WHAT STILL NEEDS TO BE DONE? <p>Moderator: Ralph von Kauffman, Technical Coordinator, UniBRAIN – Kenya</p> <ul style="list-style-type: none"> • Amadou Ouattara, Representative, UN Food and Agriculture Organisation (FAO) – Senegal • Moussa Seck, Chairman, Pan African Agribusiness and Agroindustry Consortium (PanAAC) – Senegal • Jean-Claude Gruner, Vice President – Senegal Cluster Head, Olam – Senegal
11h15	Coffee Break



11h30

SESSION II – INNOVATIVE PARTNERSHIPS FOR AN INNOVATIVE AGRI-FOOD SECTOR

Moderator: George Osure, Programme Director, Syngenta Foundation – Kenya

- **Ralph von Kauffman**, Technical Coordinator, UniBRAIN – Kenya
- **Gwen Young**, Country Director, Africare – Senegal
- **Lucy Muchoki**, CEO Pan African Agribusiness and Agroindustry Consortium (PanAAC) & Private Sector Representative CAADP Taskforce – Kenya
- **Tomas Sales**, Manager Africa Facility for Inclusive Markets (AFIM), UNDP Regional Service Centre for Eastern and Southern Africa – South Africa

12h30

SESSION III – STRATEGIC INITIATIVES SUPPORTING THE AGRIBUSINESS DEVELOPMENT IN AFRICA

Moderator: Gwen Young, Country Director, Africare – Senegal

- **Shachi Sharma**, Head of Business Development, AME, Syngenta Agro AG – Switzerland
- **Jennifer Harle**, Senior Agriculture Advisor, USAID – Senegal
- **Divine Njie**, Sr Officer, Rural Infrastructure and Agro-Industries Division, FAO – Italy
- **Randall Wood**, Deputy Resident Country Director, Millennium Challenge Corporation (MCC) – Senegal

13h30

Networking Lunch

14h30

PARALLEL WORKSHOPS

WORKSHOP A – GENERATING BUSINESS IN AFRICA'S AGRICULTURAL VALUE CHAINS: SEVEN "ELEVATOR PITCHES" FROM UNIBRAIN AGRIBUSINESS CONSORTIA AND PARTNERS

Moderator: Ralph von Kauffman, Technical Coordinator, UniBRAIN – Kenya

Rapporteur: Jean-Claude Bidogeza, Research Associate, UniBRAIN – Kenya

- **David Mather**, WAARI incubator, on-timber forest products and grains – Mali
- **Samuel Kymanywa**, CURAD incubator, coffee value chain – Uganda
- **Siakakaye Siameja**, AgBIT incubator, fruit and horticulture value chain – Zambia
- **Charles Domozero**, CCLEAR incubator, livestock value chain – Ghana
- **Fred Oduke**, SVCVDL incubator, sorghum value chain – Kenya
- **George Bazirake Byarugaba**, ABP incubator, banana value chain – Uganda
- **Lucy Muchoki**, CEO, PanAAC – Kenya

WORKSHOP B – NEW INITIATIVES TO PROMOTE AFRICA'S SMEs AND INCLUSIVE AGRIBUSINESS DEVELOPMENT

Best practices and case studies

Moderator: Moussa Seck, Chairman, PanAAC – Senegal

- **Chrysostome Vahamwili Mukesyarira**, Minister of Agriculture – Democratic Republic of Congo
- **Daniel Annerose**, CEO, Manobi – Senegal
- **Moise Achille Houssou**, Team Leader Poverty Reduction, UNDP – Benin
- **El hadj Diack**, Director, African Association of Exporters – Senegal



16H00 18H30	ONE-ON-ONE BUSINESS MEETINGS
20h00	Networking Evening

Day III Tuesday, 27 November 2012

Technology, Innovation & Youth Day

9h00	PLENARY SESSIONS SESSION IV – NEW TECHNOLOGIES TO IMPROVE PRODUCTION AND PRODUCTIVITY AND REDUCE POST-HARVEST LOSSES Moderator: Ralph von Kauffman , Technical Coordinator, UniBRAIN – Kenya <ul style="list-style-type: none"> • Laurent Stravato, Country Director, iDE – Burkina Faso • Yariv Kedar, President Sustainable Agriculture, Balton Group – Kenya • Andrew Keck, Chief of Party, USAID/Senegal Economic Growth Project – Senegal • Divine Njie, Sr. Officer, Rural Infrastructure and Agro-Industries Division (AGS), FAO – Italy
10h00	SESSION V – NEW TECHNOLOGIES TO IMPROVE PRODUCTION AND PRODUCTIVITY AND REDUCE POST-HARVEST LOSSES Moderator: Jean-Pierre Senghor , Technical Advisor, Ministry of Youth – Senegal <ul style="list-style-type: none"> • Obert Mathivha, Managing Director, Commercial Agricultural Youth Chamber – South Africa • Cynthia Mosunmola Umore, Entrepreneur and Founder, FARMSHOPPE – Nigeria • Christopher Nzuki, Integrated Projects Manager, Youth Solutions & MDGs, AMIRAN – Kenya • Issoufou Traore, Manager Associate Youman and Founder, MASTERIALES – Senegal
11h00	Coffee Break
11h15	SPECIAL SESSION – EMRC – RABOBANK PROJECT INCUBATOR AWARD <i>Presentations of project finalists</i> Presenters: <ul style="list-style-type: none"> • Pierre van Hedel, Managing Director, Rabobank Foundation – The Netherlands • Idit Miller, Managing Director & VP, EMRC – Belgium • Arthur Levi, Member of EMRC Executive Committee – Belgium
13h15	Networking Lunch



14h30

PARALLEL WORKSHOPS

WORKSHOP C – HOW TO FURTHER DEVELOP INTRA-AFRICAN TRADE & REGIONAL VALUE CHAINS

Best practices and Lessons learnt

Moderator: Pierre van Hedel, Managing Director, Rabobank Foundation – The Netherlands

- **Mireille Totobesola-Barbier**, Regional Technical Advisor Agriculture, Catholic Relief Services (CRS) – West Africa/Sahel countries – Senegal
- **Elsa Mapilele**, Agribusiness and Trade Advisor, USAID – Mozambique
- **Martin Drevon**, Chief of Project for Privatization of fertilizer sector, Intl Fertilizer Development Centre (IFDC) – Rwanda
- **Jacky Charbonneau**, Chief, Enterprise Competitiveness Section, International Trade Centre (ITC) – Switzerland

WORKSHOP D – INNOVATIONS, TECHNOLOGIES AND SOLUTIONS FOR YOUTH IN AGRIBUSINESS

Interactive workshop with inspiring stories of young farmer entrepreneurs, lessons learnt and relevant innovations, technologies and solutions

Moderator: Francois Ekoko, South-South Cooperation Advisor, UNDP – South Africa

- **Grace Nanyoga**, Executive Director, Grana Fish Supplies – Uganda
- **Simileoluwa Lawson**, CEO, Global Farmers Register – Nigeria
- **Christopher Wambugu Mukunga**, Director, Nyamua Farm – Kenya

16h30
19h00

ONE-ON-ONE BUSINESS MEETINGS

20h00

Gala Evening: Presentation of the **Project Incubator Award 2012**, in the presence of government officials, ambassadors, media and the business community.

Day IV Wednesday, 28 November 2012

Investment Day

09h00

OPENING STATEMENT

- **Babacar Ndiaye**, former President AfDB & Founder African Business Roundtable (ABR) – Senegal





09h00

SESSION VII – FINANCING AFRICAN AGRICULTURE: MECHANISMS, STRATEGIES, MODELS

Moderators: Babacar Ndiaye, former President AfDB & Founder African Business Roundtable (ABR) – Senegal & Arthur Levi, Member EMRC Executive Committee – Belgium

PART I: THE ROLE OF INTERNATIONAL FINANCIAL INSTITUTIONS

- **Aly Abou-Sabaa**, Vice President Operations, African Development Bank (AfDB) – Tunisia
- **Jérôme Cretegnny**, Principal Country Officer, International Finance Corporation (IFC) – Senegal

PART II: INNOVATIVE SOLUTIONS TO PROMOTE FINANCIAL INCLUSION

- **Rachel Keeler**, Manager Impact and Innovation, KPMG – Kenya
- **Patrice Gomis**, Investment Officer, Investisseur et Partenaire pour le Développement (I&P) – France
- **Hichem Ghanmi**, Managing Director - West Africa Office, AfricInvest Capital Partners – Cote d'Ivoire

PART III: ACCESS TO FINANCE - PROGRAMMES TO PROMOTE AFRICAN AGRICULTURE

- **Jean-Luc Perron**, Managing Director – Grameen Credit Agricole Foundation – France
- **Mouhamed Ndiaye**, CEO, Crédit Mutuel du Sénégal (CMS) – Senegal
- **Pierre van Hedel**, Managing Director, Rabobank Foundation – The Netherlands

SPECIAL PRESENTATION: AGRICULTURAL TRANSFORMATION AGENDA: REPOSITIONING AGRICULTURE TO DRIVE NIGERIA'S ECONOMY

- **Tony Bello**, Sr Technical Adviser, Federal Ministry of Agriculture & Natural Resources – Nigeria

12h30

OFFICIAL CLOSING OF THE FORUM

Closing remarks by:

- **Gita Welch**, Manager, Regional Service Centre Dakar, United Nation Development Programme (UNDP) – Senegal
- **Pierre Mathijsen**, President, EMRC International – Belgium
- **Idit Miller**, MD & Vice President, EMRC International – Belgium
- **Moussa Seck**, Chairman, Pan African Agribusiness and Agroindustry Consortium (PanAAC) – Senegal

13h30

Networking Lunch





CONFERENCE REPORT

AgriBusiness Forum 2012:

**Boosting African Agriculture through
Partnership, Investment and Technology**



EXECUTIVE SUMMARY

After decades on the sidelines of the global economy, the African continent is fast becoming a major global economic force, with the agricultural sector playing a significant role in this trend. With no less than six of the world's 10 fastest growing economies over the past decade, Africa is attracting increasing investment, reaching US\$55 billion in 2011. The economic rise of the continent, supported by a growing population of over 1 billion people, is expected to continue over the next few years, driven by a number of key countries such as Angola, South Africa, Ghana, Senegal, Nigeria, Mozambique, Ethiopia and Kenya. The **strategic role of agriculture** in Africa's social and economic development cannot be overstated. The sector provides livelihoods for about 65% of the continent's active labour force, and accounts for 32% of the continent's Gross Domestic Product (GDP). No other economic sector on the continent employs more people, or provides a bigger portion of annual wealth produced.

The AgriBusiness Forum 2012, held in Dakar, Senegal from 25-28 November 2012, brought together many key players and decision-makers in African agriculture, as well as the small producers from all parts of the continent. A large contingent of financiers and investors from around the world was also present to meet with potential partners and to provide essential insight for what lies ahead in terms of the international financing of Africa's Agri-Food sector. The Forum, held annually for the past 10 years, is one of the important international gatherings on the African continent, and took place for the first time this year in West Africa and in a francophone country.

Co-organised by EMRC, UNDP and PanAAC, the AgriBusiness Forum 2012 focused on **Boosting African agriculture through Partnership, Investment and Technology**, in line with commitments made by the G8 group of nations in 2012, and pledges by the international community to address the issue of food security as an opportunity to strengthen socio-economic development in Africa. The main aim of the Forum was to strengthen the Agri-Food sector by **encouraging partnerships, showcasing innovation and technology**, and **attracting investments**.

The forum was attended by a contingent of over 350 participants from 50 countries around Africa, Europe, Asia and the Americas. The 2012 Forum followed the **Johannesburg Declaration** signed at the AgriBusiness Forum 2011, which called for all the key players in the public and private sector to take concrete action to leverage Africa's agricultural potential and support the development of the African food industry.

These focus points are in line with a new vision of agriculture, as presented at the World Economic Forum (WEF), and outlined by the Comprehensive Africa Agriculture Development Programme (CAADP). This vision is based on the promotion of partnerships between the public and private sectors, and on increasing private sector investment for the development of agro-industries in Africa.



→ INTRODUCTION

The 2012 AgriBusiness Forum, entitled 'Boosting African Agriculture through Investment, Partnership and Technology' was organised around topical issues, including the **role of the private sector in stimulating agribusiness-driven inclusive market development; access to finance for agri-food growth; innovative technologies; and the development of inclusive business models in the agribusiness sector.** In every one of these fields, the consensus is that agribusiness is playing a strategic role in terms of Africa's economic development and its path out of poverty: For several years, the question of how to integrate smallholder farmers in value chains has featured prominently in discussions, and in 2012 the need for economic growth to benefit all Africans, through the development of inclusive markets, formed a golden thread throughout the four days of the event.

The Forum was also an opportunity to demonstrate how innovation and technology enable small producers to significantly improve their standard of living, for example through drip irrigation, portable greenhouse kits, or data and climate information sent to farmers via mobile phones. Innovation is also taking place through the development of inclusive business models: Several multinational companies on the continent are substantially increasing their purchases from local producers, especially small producers, rather than importing food from outside of Africa. Such models can improve Africa's terms of trade, encourage regional integration, and above all pull millions of people out of food insecurity, and provide them with higher income levels.

The work of the Forum included in-depth sessions on youth employment policies for African SMEs, improved means of funding for agricultural development, and the development of regional trade.

One of the highlights of the Forum was the **EMRC-Rabobank Project Incubator Award.** The level of projects presented to the panel this year was of such outstanding quality that Rabobank Foundation decided to sponsor not only a first prize of US\$15,000 to Kati Farm Suppliers (fish sausages) in Uganda, but also a second prize to Bakir Lozane (grains), from Mozambique, consisting of financing his participation in the next AgriBusiness Forum.

Away from the plenary sessions and the specialized workshops, a major part of the Forum's work was conducted behind the scenes, with over **900 Business-to-Business (B2B)** meetings facilitated over three days by EMRC. These meetings form an integral and crucial part of the AgriBusiness Forum, by allowing investors and representatives of the agricultural sector to conduct meetings, enter into agreements and turn ideas into reality on the ground, transforming the lives of thousands of people in Africa.



DAY I: SUNDAY, 25 NOVEMBER 2012

REGISTRATION AND PRE-CONFERENCE WORKSHOP

→ Pre-conference workshop: Basic steps to obtain financing for your project

Waly Ndour, Deputy Director for Sales and Marketing, Crédit Mutuel du Sénégal (CMS) – Senegal

Arthur Levi, Member of EMRC Executive Committee – Belgium

The workshop consisted of an interactive exercise providing practical guidance on how to present a project in a clear, concise and convincing manner in order to attract potential investors.

Moderated by **Waly Ndour, Deputy Director for Sales and Marketing at the Senegal Building Society (Crédit Mutuel du Sénégal – CMS)**, and **Arthur Levi, Senior Finance Consultant at EMRC** the workshop also served as an informal icebreaker. Delegates were split into groups of eight, and given the assignment to select one company from within their group. A 20-minute preparation time was allocated, followed by a 5 minute presentation for each group.

→ Presentation of Delegates

Following this first workshop, delegates had a chance to introduce themselves and their activities to each other in order to increase the chance of networking

→ Ice breaking Event

An ice breaking event at the King Fahd Palace Hotel allowed delegates to socialise in an informal setting before the start of proceedings the following morning.



DAY II: MONDAY, 26 NOVEMBER 2012

PARTNERSHIP DAY

Official Opening Ceremony

Moussa Seck, Chairman, PanAAC – Senegal

Moussa Seck, Chairman of PanAAC Senegal, had the honour of opening the first plenary session. "The AgriBusiness Forum has now become a tradition in Africa, and it brings together all the major stakeholders in agriculture", he remarked. He outlined the challenge of food production in stark terms: "Over the next 50 years we'll have to double global food production, and achieve in 50 years what took humanity 5,000 years to reach so far. This is why it is so urgent to act now". Seck emphasised, however, that farmers are not the only actors in agriculture: "Seed producers, distributors, retail chains, transporters, input providers and others all form an integral segment of the value chain", he explained. "Africa's geographical position also enables the continent to produce almost any crop one can think of. This gives our continent a unique competitive advantage". Seck concluded his intervention by thanking EMRC and its team for organising the Forum.

Idit Miller, MD & Vice President, EMRC International – Belgium

Idit Miller, Managing Director and Vice President of EMRC, welcomed delegates to the Forum: "We are very pleased to hold our annual meeting for the first time in West Africa and in a francophone country, Senegal, and we thank the Government of Senegal for hosting the Forum.

"For years, African agriculture has been relegated to the background, but we know that Africa is changing rapidly: this Forum proves that agriculture is now a national, regional and international priority all over the continent".

Miller then outlined the Forum's important topics: "The theme of this year's Forum, **Boosting African Agriculture through Partnership, Investment and Technology** seeks to highlight these three pillars as key pieces of the puzzle to ensure success and growth of Africa's agriculture. Without partnerships, no sector can evolve. Without investment, no one can get results. And without technology, agriculture cannot grow. Agriculture supports the vast majority of the continent's population, meaning that hundreds of millions of lives are directly affected by decisions made by political leaders here and abroad".

"Our Forum will seek to deepen these issues, and we will try to identify ways of strengthening the three pillars. The next three days will serve as a platform for stakeholders, including government officials, donors, entrepreneurs, farmers and researchers together to build partnerships for the sustainable growth of the Agri-Food sector in Africa", she continued.



Gita Welch, Manager, Regional Service Centre, United Nations Development Programme (UNDP) – Senegal

The next speaker was **Gita Welch, Manager of the Regional Service Centre of the United Nations Development Programme (UNDP)**. "Agriculture and agribusiness are crucial to Africa's development", she said, "and the reason for that is evident: the sector employs about 60% of labour in Africa, and its growth and development are key to the upliftment from poverty and providing employment". However, she continued, "the continent's agricultural sector is still **substantially undercapitalised**, and we need good governance and private sector investment to achieve Africa's potential". Welch went on to emphasise the need for inclusive business models and inclusive markets: "We need an inclusive agribusiness sector to achieve food security. We also need economic and structural transformation and structural changes in the economy. Investment in agriculture in general, and small agriculture in particular is of paramount importance", she continued. This, Welch argued, is "where Africa has a comparative advantage, and we should intensify public-private dialogue to promote investment, innovation and technology".

"In order to have sustainable development, we need to empower farmers", she continued, "and UNDP's strategy for inclusive growth and integrating low income people into agricultural value chains will spur growth and food production. The focal point for UNDP is the **African Facility for Inclusive Markets (AFIM)**. AFIM partners with governments, regional and local organisations to promote growth and establish communities of practice".

Africa's economic growth of the last few years is remarkable and has put the continent back on the economic map, but growth has to really serve Africans and be translated into a real impact for people. Let us enrich our potential for the benefit of all!", she concluded.

Pierre Mathijsen, President, EMRC International – Belgium

Professor Pierre Mathijsen, President of EMRC International, followed with a brief intervention, emphasising EMRC's role as a channel for private-sector led development: "What we are trying to do is bringing together local producers, entrepreneurs, and farmers, and put them in touch with investors to help them realise their projects. I am truly happy to see the diversity of people present here in the room. Only by working together can we reach our goals", he concluded.



Abdoulaye Balde, Minister of Agriculture of Senegal – Senegal

It was left to the Minister of Agriculture of Senegal, Abdoulaye Balde, to close the opening session: "Senegal is honoured to welcome this year's edition of the EMRC AgriBusiness Forum. The presence of so many stakeholders in the agricultural value chain is testimony to the importance and the vitality of this annual meeting. Back in 2008, a global financial and economic crisis hit the world, and this has also translated into a food crisis. This crisis has shown just how fragile the world still is in terms of food security. It has firmly put agriculture at the centre of the development agenda around the continent".

"This Forum", he continued, "is aimed at finding solutions and offering opportunities to kick-start African agriculture. To encourage development, this Forum will focus on the young and employment. Agriculture is not just about production, but also about services and inputs: seeds, fertilisers, machinery, marketing, processing, research. We need to create coherent and efficient value chains". Echoing previous speakers, he concluded on the necessity for growth to benefit everyone: "We need to promote inclusive growth and inclusive agriculture, so that the development of the sector truly benefits all.

We now declare the AgriBusiness Forum 2012 open".



KEYNOTE ADDRESS

Amadou Ouattara, Representative, Food and Agriculture Organisation of the UN (FAO) – Senegal

Following the official opening ceremony, Amadou Ouattara of the FAO representation in Senegal delivered the keynote address, emphasising the role of the private sector in the development of agriculture in Africa, in addition to the need for the public and private sectors to work together. "The private sector has a lot to contribute in terms of investing, innovation and business models, and its involvement is essential", he started. "However, we also need to take into account those who lack the resources and capacity to grow only through private investment and private sector-driven growth. The role of the public sector remains very important and crucial to complement the work of the private sector". There are four major challenges, Ouattara explained:

- Combining competitiveness with inclusivity
- Ensuring that success is sustained over time
- Ensuring the viability of agricultural value chains
- Establishing a vision of future agricultural markets

"We don't have the answers to all these challenges", Ouattara acknowledged: "We need to ensure that by 2020, Africa has highly efficient and productive agricultural value chains. The key aspect is that growth and more efficient value chains must directly impact the income levels of farmers.

Ouattara identified four key areas of action:

- Technology and capacity building for agricultural value chains
- The creation of innovative institutions
- Financing and investment
- Public policy measures

"Implementation of these ideas is the next challenge. I suggest that we concentrate on three elements: partnership, technology and investment. Each of these ingredients are essential to building efficient value chains.



SESSION I: Africa's GDP has been growing fast over the last 10 years - How has the Agri-Food sector contributed and what remains to be done?

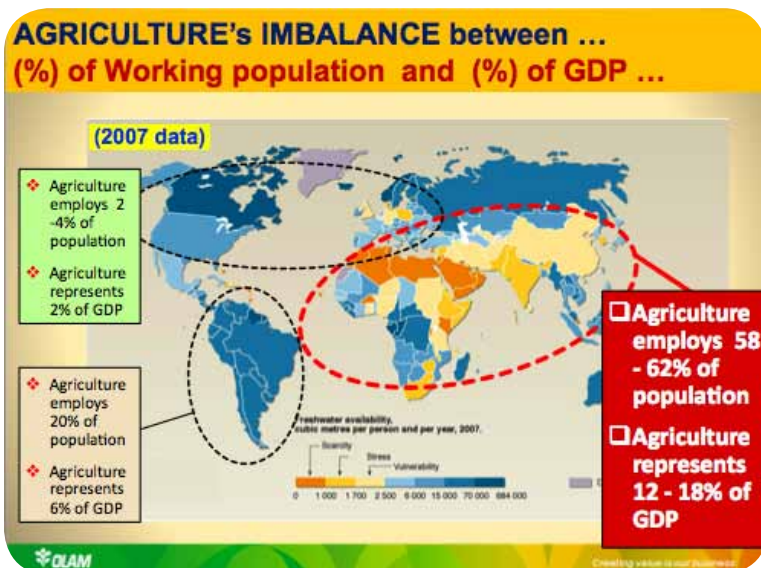
Moderator: Ralph von Kaufmann, Technical Coordinator, UniBRAIN – Kenya

Moussa Seck, President, PanAAC – Senegal

Moussa Seck emphasised the role of agriculture not just in terms of human development, but in the advent of civilisation itself: "Agriculture is the bedrock of civilisation. Agriculture was man's first great innovation, and it gave him time to think, create and build civilisation". "Agriculture today is the mainstay of close to 70% of the people in Africa, yet the sector contributes only 15 to 20% of GDP – agriculture is a strategic sector that enables us to build things, and we should keep that in mind when it comes to looking at the role of agriculture in Africa over the next few decades".

Jean-Claude Gruner, Vice President – Senegal Cluster Head, Olam – Senegal

Jean-Claude Gruner started his address by defining the term "agribusiness": One major challenge to overcome in the next few decades, Gruner contended, is the **huge imbalance** between the share of people working in agriculture and its productivity: "This is one of the most remarkable differences between Africa and the developed world", he said: On one end of the scale, we have the United States, where 2% of the population feeds half the world, and on the other we have Africa, where 70% of the population is involved in agriculture, yet who still cannot feed even the continent".





There is also a huge imbalance between demand and supply, Gruner continued: "Demand is not just created by a growing population, but also by changing diets and demand for biofuels. He highlighted that:

- Global average food consumption per person has risen from 2,360 kcal/day in 1960 to 2,800 kcal/day in 2000
- The number of people consuming more than 2,700 kcal per day has increased from 30% in 1960 to 61% today
- The rise has largely been driven by developing countries

Gruner went on to note the scale of Africa's economic boom over the last decade, quoting some startling figures: The continent's aggregate GDP reached US\$1.6 trillion in 2010, with consumer spending at US\$860 billion. By 2020, Africa's total GDP is projected to grow by another US\$1,000 billion, to US\$2.6 trillion.

Gruner used Olam's past success from starting as a supply chain manager to working upstream and midstream allowing Olam to have 3,000 clients and employing 18,000 people today.

More investment is needed for instance in mechanisation and irrigation, as only 10% of cropped land is currently mechanised and only 4% of cultivated land is irrigated.



SESSION II: INNOVATIVE PARTNERSHIPS FOR AN INNOVATIVE AGRI-FOOD SECTOR

Moderator: George Osure, Programme Director, Syngenta Foundation – Kenya

Ralph Von Kaufmann, Technical Coordinator, UniBRAIN– Kenya

Ralph Von Kaufmann started by emphasising the positive: “Let’s start by saying that Africa’s agriculture is in fact doing quite well – and progressing well ahead of the world trends. We are building on success and not building on failure. Furthermore, there is much evidence that seems to indicate that there is no shortage of capital, but rather a shortage of investment opportunities. Smallholders are also excellent entrepreneurs, considering the resources they have at their disposal, and so we should not belittle their accomplishments”.

Von Kaufmann went on to stress that the issue of land tenure, for instance, was not necessarily always an immediate obstacle: “There are many models and systems through which one can work with smallholders themselves, without needing to own the land”, he said.

A number of important support mechanisms could be further developed to benefit smallholders, including: **Microfinance & Micro-insurance / Fertiliser Subsidies / Access to mechanisation & Technologies**

Lucy Muchoki, CEO Pan African Agribusiness and Agroindustry Consortium (PanAAC) & Private Sector Representative CAADP Taskforce – Kenya

Lucy Muchoki gave a brief description of PanAAC and highlighted that PanAAC was partly created to encourage partnerships between African countries to learn from each other: “We know that some countries are doing very well in some niche markets: Kenya in horticulture, Senegal with peanuts, Nigeria with cassava, etc., How do we spread these success stories and replicate them? Such issues called for an innovative platform such as PanAAC”, Muchoki explained.

“We also realise that we have a lot of difficulties, including barriers to regional trade. And the main responsibility for solving such difficulties lies with Africans themselves – including its private sector. The **Comprehensive Africa Agriculture Development Programme (CAADP)** is designed to do just that. The private sector needs to participate fully in this programme, based on the principles of inclusiveness, responsibility and mutual accountability”. These three principles represent clear opportunities for the private sector – and PanAAC wants to ensure that each country’s private sector is directly involved in, and aligned with, investment strategies of the public sector.



Muchoki concluded by stressing the role played by **inclusiveness**: “African agriculture needs to drive inclusive agribusiness models, and this is what this year's theme is really about: Advocating the full participation of small scale farmers and SMEs”.

Tomas Sales, Manager Africa Facility for Inclusive Markets (AFIM), UNDP Regional Service Centre for Eastern and Southern Africa – South Africa

Tomas Sales introduced the UNDP's Africa Facility for Inclusive Markets (AFIM). AFIM is a private sector regional project and its goal is to reduce poverty and accelerate the achievement of the Millennium Development Goals through private sector and inclusive market development in Africa.

AFIM is a **platform** that aggregates, convenes and coordinates the various UN and other private sector-related initiatives. It is also a **partnership** between various regional and global organizations as well as governments and inter-governmental organisations, and a UNDP regional project to accelerate the achievement of the MDGs through the development of inclusive markets in Africa. **Inclusive markets**, Sales explained, are understood as “economies that integrate the poor in a meaningful way and in which the poor benefit directly from economic growth and development”.

Sales highlighted some of AFIM's innovations and achievements, including **the facilitation of a Public-Private Dialogue**, which led to the Johannesburg Declaration calling for public-private partnerships during the AgriBusiness Forum 2011.

A second innovation comes in the form of **Project Facilitation Platforms** which helped Regional Economic Communities (RECs) to advance 6 regional food value chain projects in 2012.

“While dialogue is good”, Sales said, “it also had to be followed by **action in the field**. This is why AFIM created a **Catalytic Grant Scheme** in East and West Africa to bring new technologies and innovative solutions to 10,000 farmers. AFIM has also conducted extensive research work, which has resulted in several publications documenting the **role of the private sector** and specifically innovative and inclusive business models.

“The challenge of Africa's agriculture and agribusiness is daunting, but opportunities are huge: The market for agricultural products is projected to reach **US\$150 billion over the next five years**, and this calls for stronger collaboration, and constant innovation leading to real transformation”, he concluded.





Gwen Young, Country Director, Africare – Senegal

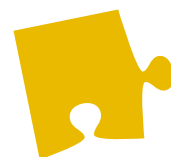
Gwen Young provided the audience with a civil society perspective. She welcomed the example of the fertilizer approach given by Ralph Von Kaufmann at the beginning of the session as a very good illustration: "One of the keys to innovation is about including the needs of small scale farmers".

On partnerships, it is important to recognise that "not everybody's agenda needs to be exactly the same. But that does not mean that one cannot work together", she said.

There are three main areas in which NGOs can contribute to the development of the agricultural sector, she explained:

- NGOs can be **facilitators**: i.e. linking small scale farmers to the private sector;
- NGOs can **build supply chains**;
- NGOs can be **promoters**: allowing private sector, governments agencies and small scale producers to create partnerships

Good governance, capacity building and the development of infrastructure would make Africa a leading continent, she concluded.



SESSION III: STRATEGIC INITIATIVES SUPPORTING THE DEVELOPMENT OF AGRIBUSINESS IN AFRICA

Moderator: Gwen Young, Country Director, Africare – Senegal

The last plenary session of the morning was about strategic initiatives supporting the development of Agribusiness in Africa.

Divine Njie, Senior Officer, Rural Infrastructure and Agro-Industries Division, FAO – Italy

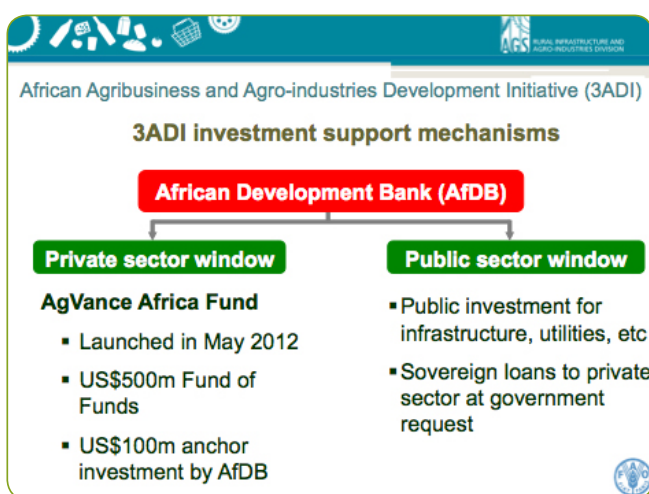
The primary goal of the 3ADI (The African Agribusiness and Agro-industries Development Initiative) is to create an African agriculture sector made up of highly productive and profitable agricultural value chains by 2020. 3ADI's objective is to increase private sector investment in agriculture.

The initiative has four main support areas :

- Enabling policies and public goods
- Enhancing innovative institutions and services
- Reinforcing financing and risk mitigation mechanisms
- Developing and supporting skills and technologies for the post-production segments of agricultural value chain

"We don't want to reinvent the wheel, but rather strive to build on these initiatives within the CAADP (as the over arching framework of our programme approach", Njie explained. "Our strategy is also to prioritize regional and domestic markets and therefore support organisations, alliances and initiatives at local and regional level."

"We are also seeking to reinforce the financing mechanisms through the





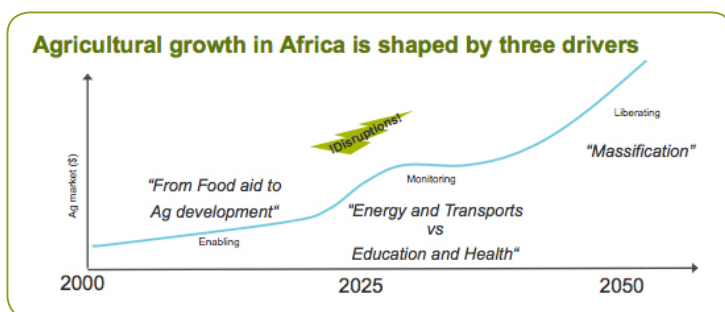
African Development Bank, supporting both a private sector window and a public sector window: the **AgVance Africa Fund** was launched in May 2012 with a US\$500 million fund of funds, and US\$100 million anchor investment by the AfDB. The public sector window provides investment for infrastructure, utilities, and sovereign loans to private sector at government request".

Shachi Sharma, Head of Business Development, AME, Syngenta Agro AG – Switzerland

Syngenta is a global agribusiness company. The company spent US\$1 billion in research and development in 2011, and tailors solutions for individual growers, Sharma explained. "We are a leader in crop protection and the third largest producer of high-value commercial seeds". Syngenta employs 5,000 people in Research and Development and has 26,000 employees in 90 countries.

Africa's agricultural growth is shaped by three drivers, which will eventually lead to the massification of production, Sharma explained:

- **Economic development**, where commodity price hikes in 2008 forced governments to focus on food security and GDP growth is creating bigger middle classes
- **Infrastructure and land availability**, with 75% of potential arable land of 500 million ha un utilised;
- **Capital to access technology**, with African governments increasingly investing in agriculture



"We tend to classify African agriculture between low output and high output agriculture, rather than small holder or commercial farms, but this is based on wrong assumptions", Sharma explained. "In Morocco, for instance, you will find small size farms that are extremely productive. I have also been to a maize farm in the Democratic Republic of Congo, where the yields per hectare were similar to those in the United States. This proves that it is possible with technology to change the game".



Sharma provided the audience with some details on specific projects on the continent, including GADCO in Ghana and the Kilombero Plantations in Tanzania. "When you bring land, technology and people together, you can grow more for less", he explained.

Jennifer Harte, Senior Agriculture Advisor, USAID – Senegal

Jennifer Harte presented the United States' global hunger and food security initiative. "At the Aquila summit in 2009, The United States made a pledge to invest US\$3.5 billion in agriculture with the objectives of addressing root causes of hunger and under-nutrition, supporting a long-term effort to sustainably feed people, and a collaborative global effort to improve food security".

The "Feed the Future Programme" of the United States renews the commitment of reducing hunger and poverty, and assists partner countries to halve poverty and hunger. In Africa, the programme focuses on 12 key countries, including Senegal, Mali, Ghana, Ethiopia, Kenya, Tanzania, Zambia and Mozambique.

In concert with the Government of Senegal and donors, Feed the Future focuses on agriculture-driven economic growth and productivity, strengthens post-harvest infrastructure and access to finance, and increases human resource capacity, both at health facilities and every level of the agricultural sector including associated institutions.

Randall Wood, Deputy President Country Director, Millennium Challenge Corporation (MCC) – Senegal

Randall Wood presented the Millennium Challenge Corporation's work. MCC was created in 2004, as an independent United States Government institution. "We work in 25 countries around the world. Our policy is to develop programmes in countries with good governance and open economic policies, that lead to quantifiable results", Wood explained. "We deliver grant funding of between US\$300 – 700 million, and our programmes typically last for 5 years".

Our approach is to give the countries where we are the responsibility to identify the key economic constraints and solutions. MCC's job is then to implement these solutions. Over a five year period from 2010 to 2015, MCC is spending US\$540 million, of which US\$324 million is allocated to upgrading road networks and US\$170 million to irrigation and water resource management. "We want to increase rice production from 55,000 tonnes to 263,000 tonnes, and expect this programme to benefit 1.66 million people, representing 138,000 families", Wood concluded.





PARALLEL WORKSHOPS

→ WORKSHOP A: Generating business in Africa's agricultural value chains: Seven "Elevator Pitches" from UniBRAIN agribusiness consortia and partners

Moderator: Ralph von Kauffman, Technical Coordinator, UniBRAIN – Kenya
Rapporteur: Jean-Claude Bidogeza, Research Associate, UniBRAIN – Kenya

The first parallel workshop consisted of examples of incubators in the African continent i.e. social enterprise factories supported by UniBRAIN agribusiness consortia and partners. The Universities, Business and Research in Agricultural Innovation (UniBRAIN) initiative was created to realise the huge potential for possible synergies by linking university education, research and private sector development in sustainable agriculture and agribusiness.

UniBRAIN has established a series of agribusiness incubators as organisations for accelerating the creation of successful enterprises. It provides these incubators with a comprehensive and integrated range of support, including business support services and networking opportunities.

UniBRAIN breaks barriers and fosters collaboration between universities, business and research to create cultures and environments that will:

- Encourage, value and enable innovation
- Produce graduates who are problem solvers and potential entrepreneurs, especially women and young people

David Mather, WAARI (Non-timber forest products and grains) – Mali

The West African Agribusiness Resource Incubator (WAARI) was established with the objective of creating a new vision within Malian agriculture that will serve as a catalyst in engaging the public and private sectors in dynamic and innovative agricultural initiatives. The WAARI agro-business incubator seeks to stimulate entrepreneurial innovation of productive and organisational practices through the systematic nurturing of activities across a variety of agro-based value chains. The incubator will be the primary means of facilitating enterprise creation and development in conjunction with consortium members.



Samuel Kymanywa, CURAD (Coffee value chain) – Uganda

The Consortium for Enhancing University Responsiveness to Agribusiness Development (CURAD) is a public-private partnership initiative in Uganda. It is promoted by Makerere University, the National Union of Coffee Agribusinesses and Farm Enterprises (NUCAFE), the Uganda Coffee Development Authority (UCDA), the National Agricultural Research Organisation (NARO), the University of Copenhagen (UC) and NIRAS International (Danish Consultancy). CURAD is an agribusiness innovation incubator that aims to boost the employment creation and income levels within the coffee sector in Uganda. The incubator seeks to add value to drive social change with lasting transformational benefits to society. It focuses on the empowerment of young and female entrepreneurs to drive growth and social development.

CURAD will use a value chain approach and look for options for innovations and business opportunities within all parts of the different coffee value chains from producer to consumer.

Siakakaye Siameja, AgBIT (Fruit and horticulture value chain) – Zambia

The Agri-Business Incubation Trust (AgBIT) is a consortium of Zambian institutions that was established to commercialize the local agribusiness industry in Zambia, increase its competitiveness by fostering business innovations, and incubate nascent and growth-oriented ventures in the sector. It is active in the tropical fruit and vegetable value chains.

The consortium is a public-private partnership comprised of the six members that include Frontier Development Associates as the lead institution, the University of Zambia, Mulungushi University, the Natural Resources Development College, the Kasisi Agricultural Training Centre and the National Institute for Scientific and Industrial Research.

Charles Domozoro, CCLEAR, (Livestock value chain) – Ghana

Creating Competitive Livestock Entrepreneurs in Agribusiness Consortium (CCLEAR Consort) is a public-private agribusiness incubator consortium jointly owned by the Council for Scientific and Industrial Research-Animal Research Institute (CSIR-ARI), the University of Ghana, the Ministry of Food and Agriculture, Heifer International (an NGO), and Humbert Farms (a private farm).

The incubator is also equipped with laboratory and diagnostics services, and has 460 ha of land on which to experiment. It is poised to be a leading centre for the



development, innovation and commercialization of livestock-based technologies within a public-private partnership environment. It is aimed at creating competitive livestock-bias entrepreneurs in agribusiness in Ghana

Fred Oduke, SVCVDL, (Sorghum value chain) – Kenya

The Sorghum Value-Chain Development Consortium is an agribusiness incubator hosted at the Jomo Kenyatta University of Agriculture and Technology (JKUAT) in Nairobi, Kenya. It is run autonomously in collaboration with public-private partnerships to spur economic growth through training, research and innovation for development. The partnership comprises JKUAT, the Kenya Agricultural Research Institute (KARI), the International Crops Research Institute for the Semi Arid Tropics (ICRISAT), Pipal, Agritrace and Farming Support International (FASI). The incubator targets poor rural communities in sub-Saharan Africa, particularly Kenya. The main purpose of the SVCVDL is to stimulate agribusiness partnerships to enhance commercialization of sorghum and its value added products for sustainable livelihoods in Sub Saharan Africa, through innovative scientific and technological approaches.

George Bazirake Byarugaba, ABP (Banana value chain) – Uganda

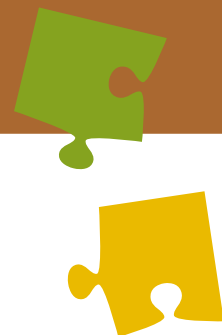
Afri Banana Products Limited aims to upscale innovations and improve entrepreneurial skills in banana production in Uganda. It aims to develop value chains, with an emphasis on capacity building, SME creation, and training in entrepreneurship and agribusiness. It also seeks to link research innovations to agribusiness, and to help market bananas and its value added products, such as fresh-peeled and vacuum-sealed bananas, banana wine, enriched animal feeds, biogas, biodegradable bags and textile fibre materials.

The consortium is led by Kyambogo University, with additional members including the Mbarara University of Science and Technology, Excel Hort Consult Ltd, FREVASEMA, the Uganda Industrial Research Institute, the Kenya Agricultural Research Institute, the Uganda Carbon Bureau and the Adaptive Seed Company.

Lucy Muchoki, CEO, PanAAC – Kenya

Lucy Muchoki gave the workshop's closing intervention. UniBRAIN's incubators, she explained, were different from typical incubators, because they provide a series of services to agribusinesses:

- They provide handholding services to start-ups
- They support SMEs with skills, expertise and facilities



- They provide services to commercial clients that want to expand, diversify, enter new markets, create new products and solve problems but do not have the required human capacity or facilities in-house.

Muchoki emphasised two main issues currently preventing the development of agriculture: Unemployment, specifically youth unemployment, and the issue of land tenure. "We need to create the conditions to ensure that our youth are employed, and help them start businesses. We also need to gain a better understanding on why the private sector is so reluctant to employ people, even graduates. Land tenure is another important discussion that we need to have, so as to gain a better understanding of the conditions in which land can be used to develop Africa's agricultural potential".

→ WORKSHOP B: New Initiatives to promote Africa's SMEs and inclusive agribusiness development

Moderator: Moussa Seck, President, PanAAC – Senegal

Daniel Annerose, CEO, Manobi – Senegal

The workshop's first speaker was Daniel Annerose, CEO of Manobi, a Senegal-based company that offers business services to improve the agri-value chain e-efficiency. It is one of Africa's foremost data providers, aimed at improving the efficiency of agricultural value chains.

Manobi provides data services over mobile phone devices to over 1.5 million customers with incomes of less than US\$2 a day. Its main focus areas are access to water, sanitation, health services and child protection.

"We work with SMEs as well as large businesses", Annerose explained, "and we are at the





forefront of companies that are helping to integrate smallholder farmers to the market through technology. Manobi works across the value chain, from producer to final customer, through processing, logistics and retail distribution.

Annerose went on to provide the audience with three examples illustrating mAgri, Manobi's mobile-based applications:

Manobi is not only revolutionising the efficiency of agricultural value chains, but also helping to create employment. "Our objective for 2013 is to create 1,500 jobs, mainly of young people aged between 18 and 24 years, freshly out of school or university".

Moise Achille Houssou, Function Team Leader Poverty Reduction, UNDP – Benin

The agricultural enterprise development project (PPEA), run by UNDP and Songhai in Benin, is an inclusive agribusiness development programme. The PPEA programme is designed to respond to a triple challenge: Poverty reduction, food security and job creation.

"Our target group is young entrepreneurs throughout the value chain. We have committed US\$51 million over 5 years, and the project is supported by the Government of Benin. The approach is adapted according to each region's specificities and potential, and the model is being developed in 5 states of neighbouring Nigeria", Houssou explained.

PPEA takes part in agricultural production as well as livestock and fisheries. It provides processing services, access to markets, energy, and waste recycling to produce biogas, in line with their goal to promote green growth.

Astrid Vanbesten, Royal Embassy of The Netherlands – Senegal

The Royal Dutch Embassy in Senegal has a programme budget of EUR1.5 million allocated to promoting cooperation between Senegal and The Netherlands. One of the main focus areas is agricultural SME development, with three aid programmes:

- 1) A coaching and mentoring module to assist SMEs over a period of three weeks (free of charge for the beneficiaries)
- 2) A matchmaking service to sponsor partnerships between Senegalese and Dutch companies (where costs are covered except for air travel)
- 3) A support programme for innovative SMEs



El Hadj Diack, African Association of Exporters (AAFEX / CEDEXA) – Senegal

AAFEX is a Pan African Association which includes 100 SMEs in 11 African countries. Its mission is to process and export quality products for small and medium-sized enterprises. AAFEX has put in place a fresh fruit and vegetable supply system, helping to export agricultural produce for a value of EUR100 million, directly supporting 4,000 jobs in different parts of the continent.

AAFEX's main service is to improve the quality of information with procedural and technical capacity building.

"Based in Benin, AAFEX created the centre for development of African Exports (CEDEXA) in order to respond to the funding needs of medium-sized African business with a turnover of up to EUR1 million. Access to finance remains a recurrent challenge for African businesses, especially in the agri sector. In addition, CEDEXA provides advisory services to companies seeking to improve their access to finance", Diack concluded.

Chrysostome Vahamwiti Mukesyarira, Minister of Agriculture – Democratic Republic of Congo

The Minister of Agriculture of the Democratic Republic of Congo was the last speaker of the session. "The DRC presents exceptional opportunities for the development of agriculture," Mukesyarira explained. "Not only does it have a huge internal market of 73 million people, but it also has a huge territory with an estimated 80 million hectares of arable land that lies mostly idle. The country's climatic diversity (ranging from tropical areas to semi-arid temperate zones) is ideal for almost any type of crop."

The DRC faces a number of challenges, including a lack of investment in the agricultural sector. The authorities, however, are introducing investor-friendly regulations and legislation, offering incentives such as tax breaks on the purchase of equipment. The government has also backed the creation of an industrial development fund (FPI) and a national agricultural development fund (FNDA).



B2B MEETINGS AND NETWORKING EVENING

The remaining hours of the day were taken up by hundreds of individual B2B meetings, followed by a networking dinner.





DAY III: TUESDAY, 27 NOVEMBER 2012

TECHNOLOGY, INNOVATION AND YOUTH DAY

SESSION IV: NEW TECHNOLOGIES TO IMPROVE PRODUCTION AND PRODUCTIVITY AND REDUCE POST-HARVEST LOSSES

Moderator: Ralph von Kauffman, Technical Coordinator, UniBRAIN – Kenya

Laurent Stravato, Country Director, iDE – Burkina Faso

Since 1995, iDE has been developing low-cost, small-scale drip systems for irrigating home gardens and small plots. iDE provides low-cost technology, making it accessible for small scale farmers. "Our products are affordable and are specifically aimed at the bottom of the pyramid, which is our main market and outlet", Stravato explained.

"What we often see", Stravato explained, "is the failure of solutions and technologies that are introduced from the top down: they tend to fall into disrepair soon after being initiated. In our case, we try to provide technology that really works, with the direct involvement of local communities in order to assess their needs. In Burkina Faso, we have introduced water tanks for a price of CFA 11,000 (ca. US\$22) a piece, and we are also testing solar pumps". "Irrigated farms mean more productive harvests which lead to more food, new ways to earn income, and relative prosperity for rural households and the communities built around them", he continued.

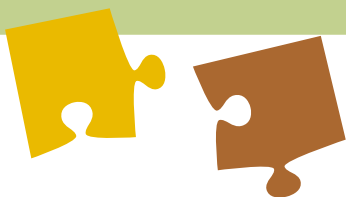
One of iDE's big strengths, Stravato explained, was on last mile distribution: There are about one million taximotos in Burkina, and we are leveraging this network to great effect. iDE has also revolutionised the drip system to very significant impact. "We have been able to significantly reduce post harvest losses". Stravato emphasised that iDE's approach demonstrated that it was possible to include small scale farmers, when done the right way, to have a significant impact on their lives.

Yariv Kedar, President Sustainable Agriculture, Balton Group – Kenya

The Balton Group, based in the UK, provides irrigation systems, greenhouses, agro-chemicals, fertilizers, seeds, and manages integrated projects. It now operates in all parts of the African continent and has experienced significant growth over the past three to four years.

The Balton Group has developed the **Amiran Farmer's Kit (AFK)**, a major innovation that is revolutionising small scale farming in Africa. The Amiran Farmer's Kit is an affordable, integrated toolkit aimed at improving yields, protecting crops and bringing them to market.

"These toolkits allow farmers to significantly increase yields for high-income crops such as tomatoes, avocados, peppers, melons and onions", explains Kedar.



Considering the spectacular results of this technology, banks have become increasingly willing to fund the loans needed for small scale producers to purchase the toolkits, says Kedar. "We have agreements and partnerships with banks, and now that the concept has been proven, banks are far more willing to lend money to small scale farmers. Equity Bank, Kenya's leading bank and one of Africa's most innovative banks, is one of them".

In 2012 the AFK increased its sales by 50% in Kenya. In addition, Amiran kits are now present in countries such as Tanzania, Uganda, Rwanda, Zambia, the Seychelles, South Sudan, Burundi, Somalia, Zimbabwe, Botswana, South Africa, Nigeria, Ghana, Burkina Faso, Cameroon, and Senegal.

Andrew Keck, Chief of Party, USAID/Senegal Economic Growth Project – Senegal

USAID/PCE is part of the portfolio of projects contributing to achieve the goals of the United States' "Feed the Future" strategy, Keck explained. "The focus is on three value chains: rice, maize, millet, with an emphasis on developing a local product to compete with imports of rice and maize."

The results of 2012 are encouraging: 26,000 farmers are now applying new technologies, and loans have been disbursed to 11,600 MSMEs for a value of US\$16 million. The value of farm gate sales reached US\$28 million, and the value of cereals sold reached US\$33 million.

The main challenge, Keck continued, was to take the farming of cereals beyond subsistence and informal market opportunities and generate cash income for food, health, education and investment.

"The market opportunity is very significant, considering that Senegal currently relies on rice imports to the tune of US\$376 million per year, and maize imports for US\$35 million per year", Keck said.

Echoing earlier statements about land ownership, Keck emphasised that land tenure was not necessarily an insurmountable obstacle: "You don't need to own land to build up a successful seed multiplication business".

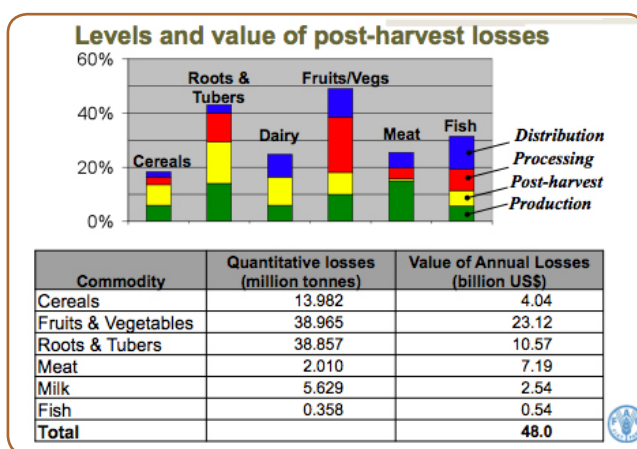
Divine Njie, Senior Officer, Rural Infrastructure and Agro – Industries Division (AGS), FAO – Italy

Divine Njie of the FAO was next on the podium. "We need new approaches to address the challenge of post-harvest losses", he told the audience. "Technologies are important to reduce losses but not sufficient". To provide context, let's look at the magnitude of losses:





Post harvest losses can reach up to 50% in the case of fruits and vegetables. The FAO estimates the total value of post-harvest losses to have reached US\$48 billion in 2011, of which US\$23 billion are fruits and vegetables. These losses take place primarily during the distribution phase.



"The causes of post harvest losses range from harvesting techniques, the lack of, or inadequate storage and transportation facilities, as well as the lack of processing and cooling facilities," Njie continued.

In a context of increased private sector involvement, global market integration, urbanisation and changing market conditions, we need systemic improvements of the efficiency and sustainability of the entire value chain. "New technologies will not be adopted if there are no incentives for stakeholders to adopt these technologies for reducing losses", Njie emphasised, "so we can no longer focus on any specific part of the value chain without considering the impact on the other parts of the value chain". FAO has, in this context, spearheaded the SAVE FOOD initiative, with sub-sectors on grains, fruits and vegetables, milk and fish. SAVE FOOD's activities include:

- Evidence-based policy and investment support through identification of interventions which make business sense;
- Campaigns and congresses to promote networking, increase awareness, mobilize funding.



SESSION V: OPPORTUNITIES FOR YOUTH IN AFRICA'S GROWING AGRIBUSINESS SECTOR

Moderator: Jean-Pierre Senghor, Technical Advisor, Ministry of Youth – Senegal

Christopher Nzuki, Integrated Projects Manager, Youth Solutions & MDGs, AMIRAN – Kenya

Nzuki provided the audience with a demonstration of the value of the AMIRAN Farmer's Kit: With one single kit, a farmer can produce a crop of tomatoes for a value of US\$10,000, with further smaller crops of cabbages, onions and water melons. With a selling price of US\$3,300 in coastal areas and US\$4,900 in the interior, the return on investment is high. For young emerging farmers in Africa, the kit has a very high potential to create jobs and income.

Cynthia Mosunmola Umoru, Farmshoppe / Honeysuckle Ventures, Entrepreneur and Founder – Nigeria

Cynthia Mosunmola Umoru is the founder & CEO of Honeysuckles PTL Ventures, a Nigerian company engaged in food production, processing and distribution. The company's products include a wide range of farm commodities such as chicken, eggs, snails, catfish (smoked and live) and vegetables, with a vision to pursue youth involvement in the agricultural sector.

With 50% of Nigerians under the age of twenty, and a population growing from 88 million in 1991 to 165 million in 2012, youth employment is of paramount importance, Umoru stressed: "The fact is that no sector is able to create jobs as quickly as the agricultural sector, which accounts for 40% of GDP".

Farmshoppe is therefore working to reform formal learning to focus on agriculture as a business and not just farming.

"We must take further advantage of technology such as mobile phones and the web (including social media) in fields such as packaging, rebranding, networking as well as facilitating trade in the agro sector. We also need to invest heavily in agricultural research, ecology and biotechnology", Umoru concluded.

Grace Nanyonga, Grana Fish Supplies – Uganda

Grace Nanyonga started her business by selling grilled chicken and fish from a makeshift restaurant in Kampala, Uganda.



Over time, to gain a competitive advantage, she learned to smoke and spice her fish, which immediately made her outlet extremely popular and enabled her to create her own brand.

Nanyonga now supplies local schools and trains several young people to become entrepreneurs in their own right. She faces a number of challenges, including the increasing scarcity of fish. Grace Nanyonga, however, is a perfect representative of Africa's growing class of independent and ambitious young female entrepreneurs.



Obert Mathiva, Commercial Agricultural Youth Chamber / S21 Agricultural Company – South Africa

The CAYC in South Africa provides opportunities for young people to work in agriculture, and ensures that young emerging farmers are given the tools with which to seize opportunities across the value chain. One of its aims is also to assist in the transformation of South African agriculture, overcoming the legacies of apartheid and unequal land distribution, and allowing young black farmers to scale up and commercialize their farming operations.

Among the most critical success factors are the issues of credit, market access, technical expertise, equipment, infrastructure and transport, government subsidies, export opportunities and institutional development.

Success also depends on human capital and management skills, an area which needs significant investment.



SPECIAL SESSION: EMRC-RABOBANK PROJECT INCUBATOR AWARD

Presentations of project finalists

Presenter: Pierre van Hedel, Managing Director, Rabobank Foundation – The Netherlands

Agro-Comercial Olinda Fundo (ACOF), Angola (Olinda Fundo)

ACOF was founded in 2000 as a family business, run by Olinda Fundo. Its main activity is the production of seeds and grains, both through direct farming and through an outgrower scheme. It started with 70 hectares farmed directly, expanding to 350 hectares in 2012-2013 and 1,500 outgrowers.

ACOF seeks to promote the local production of improved seeds at the local level, establish a strong relationship with outgrowers, especially female farmers, introduce mechanization and develop stable markets for farmers' produce. It also seeks to increase yields and household incomes thanks to improved access to quality seeds. ACOF directly engages over 1,500 people and families.

It now seeks to acquire a tractor and recruit two young mechanics to ensure maintenance and repairs; it also plans to eventually equip 100 farmers with tractors over a period of 5 seasons.

Kati Farm Suppliers, Uganda (Lovin Kobusingye)

Kati Farm's business objectives are to create youth employment, generate income and develop local and international markets for Ugandan fish products.

At the start of its growth curve, Kati Farms almost became a victim of its own success, with low production and the lack of delivery capacity threatening to choke a thriving business. Kobusingye, however, rose to the challenge and managed to source enough fish to meet demand.

Sales have risen to current levels of 15 tonnes a week, and Kati Farms is seeking to expand regionally as well as in the Middle East.

"If we win the award", Kobusingye explained, "Kati Farms intends to improve product branding and marketing, purchase a modest transportation cold van to distribute products and employ more youth in production and marketing."





Lozane Farms, Mozambique (Bakir Lozane)

Following Mozambique's harrowing civil war, huge amounts of arable land became unusable, having been transformed into deadly land mine traps. For a number of years, Bakir Lozane worked with NGOs to clear land mines from fields. Many locals were too scared to return to farming, however. Lozane decided that only the power of demonstration would convince people that toiling the fields was safe once again. He decided to start farming operations, and became a grain farmer, initially on only 1 ha of land, but soon expanding as other farmers started joining. Today a total of 612 farmers work through 12 associations on 900 ha of land, producing maize, soya beans and sorghum.

As no bank was initially willing to fund the operations, Lozane got support from AGRA (the Alliance for a Green Revolution in Africa) and USAID.

More recently, however, as Lozane's profile has begun to rise, banks have been more forthcoming.

"What we would do with the US\$15,000 is to invest in machinery in order to significantly enhance our capacity and uplift our farmers, especially in soya production, which is the most lucrative crop at the moment", Lozane explained.

Laboratoires Bio-essence, Senegal (Mama Diene)

Laboratoires Bio-essence was founded in Senegal in 2004. Producing shea butter for the production of cosmetics; it received its organic agriculture certification a few years ago. "Our aim is not only to make money", Diene explained, "but also to have an environmental and social dimension, and empower women in rural areas. When women can increase their income, their children don't have to work, allowing them to study. They also have an incentive to protect the trees, so there is an environmental impact as well".

Laboratoires Bio-essence has an integrated value chain. Its market has grown by 10% per year and has reached a size of US\$1 million globally in 2010.

"If we win the incubator prize, our intention is to support our female farmers with micro-finance solutions. We would also use a portion of the prize money to complete the construction of an extraction unit in Kedougou, and towards the development of a training programme for our farmers", Diene proclaimed.



SESSION VI: ACTIVITIES AND CHALLENGES FOR FINANCING AGRICULTURE ALONG THE VALUE CHAIN

Moderator: Arthur Levi, Member of EMRC Executive Committee – Belgium

Bode Olayemi, Commissioner of Agriculture and Natural Resources, Kwara State Government – Nigeria

Bode Olayemi, representing Abdulfatah Ahmed, Executive Governor of Kwara State, Nigeria provided the audience with a snapshot of Kwara State in Nigeria, and the enormous progress the state made over the past few years.

"Kwara State is at the vanguard of a national drive to commercialise farming in Nigeria, implementing comprehensive agricultural reforms. A US\$160 million facility for the processing of cassava has been built. With good infrastructure, including an international airport at Ilorin, fresh produce can be readily transported not only to other parts of Nigeria but also abroad. Kwara has also significantly expanded the area of land under cultivation, which tripled in size over the past ten years. Production has focused on cassava, maize, poultry, rice and dairy products".

"At the heart of this progress is agriculture value chain management, pioneered in Nigeria by Kwara State, and which the Federal Government is now adopting", Olayemi said, "as outlined in our framework policy, the Kwara State Agricultural Modernization Master plan (KAMP)". "Within 5 years, as envisaged by KAMP, Kwara State will be self-sufficient in food production and achieve economic transformation through structured agro-reform. Obviously, value chain management is pivotal to the reforms envisaged under KAMP".

George Osure, Programme Director, Syngenta Foundation – Kenya

The Syngenta Foundation's primary aim is to develop scalable solutions for pre-commercial farmers around the world. The Foundation is a separate entity from Syngenta itself, with its own board of directors. The Foundation offers services in a number of fields, including:

- **Addressing the challenges of the value chain**, by clustering business services and organising farmers to reduce perceived high risks for buyers, financiers, and service providers;
- **Financial, legal and customer management**, by increasing the quality of reporting, capturing costs and strengthen the link between farmers and financiers;
- **Information and quality management through mobile / IT platforms.**



"It is important", Osure told the audience, "to have bundled services at the farm gate for consistent supply in scalable manner, and make sure that basic data that a financier would look at is available".

Hassan Hassan Saleh, Special advisor to the President of Chad, National Coordinator, National Programme for Food Security (PNSA) – Chad

Chad is a huge country that presents significant opportunities in its agricultural sector, Hagger outlined. "The country has an estimated 39 million ha of arable land, 84 million ha of natural grazing land and 10 million heads of livestock. Despite such resources, however, two thirds of Chadian households are food insecure, and one third of children in rural areas suffer from chronic malnutrition". Chad's population is still overwhelmingly rural, with only 22% of people living in cities. In 2011, agriculture's contribution to GDP was 16%.

To overcome some of the country's challenges, the Chadian authorities are implementing a national economic plan called the PNSA (the National Food Security Programme), Hagger continued. The PNSA has two main objectives:

- **Providing access to water and staple food** to households in sufficient quantities;
- Contribute to **providing healthy and balanced nutrition** to the population

The programme has, so far, translated into material support from the Chadian state in the form of 1,012 tractors, 899 pumps, 6,600 tonnes of fertilizers at subsidised prices and the training of 1,700 planters.

"Chad is embarking on a CFA 420 billion (EUR640 million) investment programme until 2020, and looking for partners for additional finance", Hagger concluded.

Folusho Olaniyan, Managing Director, Union Trading Company PLC – Nigeria

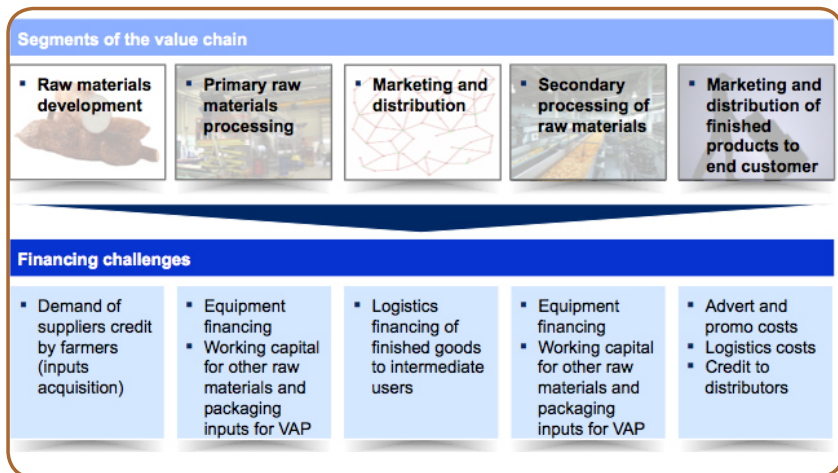
Folusho Olaniyan started her presentation with three key messages:

- Each segment in the value chain faces its own challenges;
- Financing options vary depending on the segment;
- The exact purpose / need for funding must be clearly identified before a decision is made



There are four crucial factors to consider when assessing opportunities for agriculture value chain finance, Olaniyan continued:

- Risk assessment of the sector;
- Individual creditworthiness of the borrower
- Collateral required to secure a loan (credit history)
- Cost of finance (interest)



The following diagram explains the specific challenges for each step in the value chain:

The cassava transformation programme of the Federal Government of Nigeria provides an example of what can be accomplished in terms of improving value chains:

- **A Cassava Bread Development Fund** has been established to support processors in the cassava bread value chain;
- **Two large scale cassava processing plants** (Thai Farms and DADTCO – The Dutch Agricultural Development and Trading Company) which were at the brink of collapse when the flour millers in Nigeria stopped buying cassava flour before this Administration, are back in business and have doubled their capacity to over 22,000 million tonnes. Nigeria is on its way to completely revive the cassava sector, creating thousands of employment opportunities and an increase in revenue for farmers.



PARALLEL WORKSHOPS

→ WORKSHOP C: How to further develop intra-African Trade & Regional Value Chains

Moderator: Pierre van Hedel, Managing Director, Rabobank Foundation – The Netherlands

Elsa Mapilele, Agribusiness and Trade Advisor, USAID – Mozambique

The USAID Mozambique approach rests on three main pillars:

- Providing support under the US Government Feed the Future (FtF) Initiative to increase incomes, food security and nutrition status in rural areas;
- Encouraging private sector investment under the G8 New Alliance for Food Security and Nutrition Initiative;
- Promoting agribusiness as the centerpiece, using two main approaches: ASCs and FOSCs.

In terms of value chain development, USAID encourages smallholders to link with commercial agribusiness farmers. Commercial farmers provide access to inputs (improved seeds and fertilizers), mechanized services (land preparation), technical assistance, and access to markets; while associations or cooperatives act as service providers to their members.

USAID specifically works on the soybean, fruit (mangos, bananas for export) and groundnuts value chains.

It also actively encourages the development of intra-regional trade.

Mireille Totobesola-Barbier, Regional Technical Advisor (RTA)/ Agriculture, Catholic Relief Services (CRS) – West Africa/Sahel countries

Catholic Relief Services is committed to providing robust agricultural support to the world's poorest people in over 50 countries. Its aim is to achieve food and financial security, as well as economic growth. "Our work generally begins with communities emerging from shock, or living in extreme poverty", Totobesola-Barbier explained.

CRS focuses on enhancing productivity and helping farmers to increase their product and farm profitability: "Our agricultural investments aim to support pathways to prosperity, and successful CRS investments are enabling millions of vulnerable farmers to plan and invest in a more hopeful future", she continued.

"We work with farmers in groups, and much of our agricultural work is focused on helping to organise atomised farmers into farmer groups, of 20-30 people. We provide



these groups with the skills and access to assets and technologies that can increase their productivity and profitability.

CRS provides a five-level training for field agents as well as farmers: Innovation and learning, group organization and management, savings and lending, sustainable agriculture and marketing.

Martin Drevo, Chief of Project for Privatization of fertilizer sector, International Fertilizer Development Centre (IFDC) – Rwanda

The IFDC's objectives are:

- Support the transition towards the privatisation of the fertilizer industry
- Identify and promote policies for a business environment supportive of a private sector fertilizer market;
- Contribute to the development of a sustainable and profitable fertilizer supply and distribution chain

Drevo presented "The Privatization of Rwanda's Fertilizer Import and Distribution System", a project implemented by the IFDC in Rwanda and explained that the role of the Ministry of Agriculture of Rwanda is to promote the use of fertilizers. Imports of fertilizers have risen from 6,000 tonnes to 30,000 tonnes, which helped boost the production of maize and wheat. The concern, however, is that some farmers are not always in a position to use these fertilizers properly.

There is a will to reinforce local investment, and with good management profits can be made. "We need to improve conditions in order to attract the private sector. One major obstacle to further development is lack of access to finance for the small farmers".

In conclusion, Drevo explained, there are a number of key points that governments and the private sector need to take into account:

- Public and private sectors have different views and approaches;
- Governments need to understand that private sector must be profitable;
- There is a need to understand that privatization will initially lead to a reduction of the consumption of fertilizers (as market forces will limit sales to solvent demand);
- Understand that the farmers invest only in profitable crops (staple vs cash crop) and cannot be forced to invest in non-profitable crops.



Jacky Charbonneau, Chief, Enterprise Competitiveness Section, International Trade Centre (ITC) – Switzerland

ITC's goal is to reduce poverty with development, and regional trade present major opportunities for SMEs in Africa to grow. For this to happen, knowledge and training are paramount.

ITC focuses on two complementary activities:

- Structure;
- Training programmes for African SMEs.

"Regional trade links require infrastructure and conducive regulatory frameworks, as well as favourable macroeconomic conditions", Charbonneau said, echoing earlier remarks made by several speakers.

"Perhaps the biggest challenge at the moment when it comes to regional integration is the lack of a legal framework for inter-regional trade," Charbonneau said. "Local business development will only take place if the operational environment is conducive", he insisted.

→ WORKSHOP D: Innovations, Technologies and Solutions for Youth in Agribusiness

Moderator: Francois Ekoko, South-South Cooperation Advisor, UNDP – South Africa

Grace Nanyonga, Grana Fish Supplies – Uganda

Please refer to summary on page 44.

Simileoluwa Lawson, CEO, Global Farmers Register – Nigeria

It has become something of a cliché, Lawson started, to talk about "thinking outside the box" – but what if there simply is no box, in fact? "We call this the X-factor", explained Lawson.

At every point in the value chain, however there is an opportunity. The X-factor principles hold that:

- Increasing food production without increasing agriculture-related services equals increased wastages;
- The conversation should be expanded beyond farming and processing;
- Agricultural services should be seen as an avenue for youth participation;
- Smaller value chains should be created alongside the value chain;
- Practical and scalable, private sector-driven business approaches should be adopted.



The X-factor opportunity areas include financial services, knowledge management, branding and perception management, extension services, education and research, transport and logistics, etc.

The Global Farmers Register is an online agribusiness inventory of all stakeholders and key players in the agriculture industry.

Christopher Wambugu Mukanga, Nyauma Farm – Kenya

"I went from being an employee to an employer and it changed my entire perspective," Mukanga explained. Although Mukanga had worked in an office his entire career, he realised that he had to change his attitude and needed to spot opportunities.

The opportunity was in the agribusiness sector. Today, Mukanga manages his own farm and has revitalised 10 acres of his family land and provides consistent employment for 25 workers.

Success has come through:

- Focusing on horticultural products with an export market;
- Combining skills learnt from his office days and skills gained from UNDP workshops;
- Focusing on managing staff and cash flow, mobilizing youth in the district to entrench a culture of entrepreneurship with the youth.

Nyauma Farm has on average weekly turnover of 300 Kgs of an array of Asian vegetables for the Asian market and produces 7 tons of snow pees daily.

Interactive sessions

The presentations were followed by two interactive sessions on technical and funding issues. The interactive sessions allowed for intense discussions among participants on issues concerning access to finance and access to credit, but also financial education and the mentoring of farmers. Animated exchanges took place about what type of agriculture was most suited to conditions in Africa, what role the state should have, and what sort of regulatory environments were more likely to stimulate agricultural development.

The interactive session resulted in the formulation of a number of recommendations, concerning funding capacities as well as the use and promotion of new technology.





FUNDING:

- a- Development of an integrated package for the funding of "Agri-preneurs" that is composed of: coaching, training, funding, monitoring and technical assistance;
- b- Creation of special funds dedicated to the financing of agri-business for young Africans ; those funds should have adequate resources, and be flexible enough to adapt to the needs of young "Agri-preneurs";
- c- Creation of other special financial instruments such as loan guarantee schemes, and concessional loans, agri-business insurance;
- d- Development of non-financial facilities such as market access, management assistance, land lease from governments;
- e- Stronger youth representation in decision making teams (ministries/departments of finance), or in some cases have a special representative officer in charge of handling youth issues;
- f- Donors or partners should engage youth directly when it comes to funding agribusiness;
- g- Agribusiness needs to become a priority in every national budget.

TECHNOLOGY:

- h- Transfer of technology should be a priority for governments and acquired technologies should be widely spread across countries including in rural areas;
- i- Governments should develop more incubation programmes;
- j- Governments should put enough resources in research and development.

→ One-on-One Business Meetings

→ Gala Evening

The day's proceedings ended in grand style during the Gala evening and formal dinner, at which the Project Incubator Award 2012 was presented in the presence of government officials, ambassadors, media and the business community. The level of projects this year was of such outstanding quality that Rabobank decided to sponsor not only a first prize of US\$15,000 to **Lovin Kobusingye** of **Kati Farm Suppliers** from **Uganda**, but also a second prize to **Bakir Lozane**, from **Mozambique**, consisting of a sponsorship to attend the next AgriBusiness Forum.

A delighted Kobusingye declared that the award was a dream come true. She dedicated the prize to her parents, who had always encouraged her to pursue her goals in the face of adversity, and remained the inspiration which drove her to build her businesses. "I am excited about the next steps", she said, to huge applause.



DAY IV: WEDNESDAY, 28 NOVEMBER 2012

INVESTMENT DAY

SESSION VII: FINANCING AFRICAN AGRICULTURE: MECHANISMS, STRATEGIES, MODELS

→ Part I: The Role of International Financial Institutions

Moderator: Babacar Ndiaye, former President AfDB & Founder African Business Roundtable (ABR) – Senegal

Financing is one of the most important aspects of developing agriculture, and the plenary session of the last day of the Forum focused specifically on the evolution of funding mechanisms, strategies and models around the continent.

Aly Abou-Sabaa, Vice President, African Development Bank (AfDB) – Tunisia

"The private sector has a very important and key role to play in this particular field", Abou-Sabaa began.

The most important challenge for governments is how to make growth inclusive, in other words, how to create employment opportunities and ensure that growth benefits all sections of society, especially the poorest. "Agriculture is obviously a key sector for any inclusive strategy, considering how many people it employs, and promoting the agri sector is one of the clearest ways of reducing poverty", he continued.

"Currently, most of Africa's agricultural sector suffers from dramatically low levels of productivity and high rates of post harvest losses. We need however to ensure that more food is available throughout the year, so providing the agricultural sector with access to finance is not just about creating jobs, but also about food security".

"In 2010, the AfDB developed its own strategy that adopts and underscores the development of agriculture. Considering that private investors perceive investing in agriculture to be high-risk investments, the public sector needs to provide support. However, the AfDB is increasingly focusing on the private sector as a driver of the development of agriculture.

"In recent years we have increased our focus on the business environment, and addressed issues of governance. Another focus area for us, which indirectly helps the agricultural sector is to invest in enabling infrastructure: ICT, storage facilities, connecting markets to production etc".

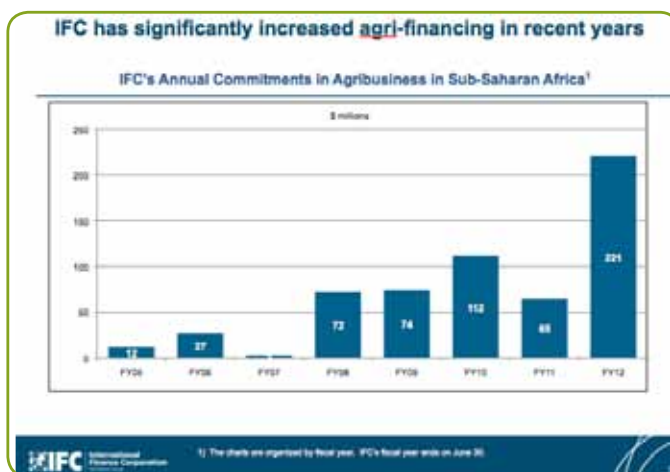
"There are, however many challenges for the coming ten years", Abou-Sabaa concluded, and "we need to ask ourselves what we should be doing more of, and also what should we do differently ?".



Jérôme Cretegny, Principal Country Officer, International Finance Corporation (IFC) – Senegal

The IFC is a private sector development arm of the World Bank Group. The key goal for the World Bank group is to reduce poverty, and IFC has significantly increased its financing of the agricultural sector in recent years: total commitments now reach US\$221 million in 2012.

The IFC's current portfolio of investments in Africa's agricultural sector reaches US\$455 million, spread over more than 40 projects in 15 countries: meat processing, trading companies, etc.



"We now also started providing short-term financing, which is a new type of commitment from us", Cretegny explained.

IFC typically invests in larger projects of more than US\$10 million (of which the IFC investment generally is at least US\$5 million). The projects must be commercially viable and provide an economic return as well as a potential development impact, and needs to be environmentally sustainable. Cretegny went on to provide the audience with two case studies showcasing IFC's approach to agriculture on the continent: Patisen in Senegal, and an Ethiopian Coffee Risk Sharing Facility. Both projects have had a significant development impact in the form of employment opportunities, industrialisation and the development of forward and backward linkages with local wholesalers and retailers, increased tax revenue for the governments involved, and strengthened the creditworthiness of farmers' cooperatives.





→ Part II: Innovative Solutions to Promote Financial Inclusion

Hichem Ghanmi, Managing Director, West Africa Office, AfricInvest Capital Partners – Ivory Coast

AfricInvest was created in 2004 as a joint venture with FMO, inspired by the success of TunInvest, which had been in operation for a decade within Tunisia. It is the leading private equity investor in North Africa and one of the leading private equity funds on the continent. It has a mandate to invest in high-potential SMEs around the continent and is a board member of the African Venture Capital Association (AVCA).

In the space of just a short few years, AfricInvest has established a team of about 50 people covering northern and sub-Saharan Africa, with offices in Tunis, Casablanca, Abidjan, Nairobi and Lagos. Its investment portfolio is made up of 97 SMEs in 23 countries.

AfricInvest has an active portfolio of over US\$750 million of assets under management in a variety of sectors, including financial services, food and beverage, transport and logistics, pharmaceuticals, electronic equipment, ITC, and air transport. Agribusiness is, however, the largest single investment sector, accounting for no less than 27% of the fund's total investment portfolio.

The fund is supported by prestigious partners such as FMO, IFC and the African Development Bank. "We see ourselves as a true strategic partner supporting the economic development of the companies we invest in, providing risk capital, working capital and providing funding for management buy-outs", Ghanmi said.

Patrice Gomis, Investisseur et Partenaire pour le Développement (I&P) – France

Investisseurs & Partenaires is a French-based impact investment fund, a new asset class that is becoming increasingly important in Africa's investment landscape. The main aim of an impact investment fund is to focus on the overall economic, social, environmental and governance impact of our investments, beyond just seeking a mere financial return on investment. The fund was created 10 years ago by Patrice Hoppenot, a private equity expert, and has since 2011 been managed by Jean-Pierre Severino, former Director General of the French Development Agency.

"Our scope of action is limited to sub-Saharan Africa and the Indian Ocean, and our investment horizon usually does not go beyond 5 years: We seek to divest from our positions once we are satisfied that our goals have been accomplished. Our investment model is called the "partnership wheel", which has three main activities: financing, strategic support and technical assistance.



I&P manages two distinct investment vehicles:



- **I&P Development (IPDEV)**, with assets valued at EUR11 million, aimed mainly at SMEs and for investments below EUR300,000;
- **I&P Contractors Africa (IPAE)**, a EUR50 million investment fund launched in 2012 seeking to invest minority holdings in medium-sized companies of between EUR300,000 and EUR1.5 million.

"Our economic, social, environmental and governance impact so far is exemplified by the creation of 1,400 jobs over 8 years on 30 companies, as well as EUR1.5 million in taxes generated per year, which covers the cost of schooling for 300 children per year", Gomis said.

Mouhamed Ndiaye, CEO, Crédit Mutuel du Sénégal (CMS) – Senegal

Crédit Mutuel du Sénégal was established in 1988 to improve access to financial services to the people of Senegal. Today CMS covers the entire country with more than 200 branches spread around the country. It is using innovative channels to reach some of the more remote areas, including mobile branches. "Our loan book currently stands at around 91 billion FCFA (approx. US\$180 mln), balanced on deposits of 103 billion FCFA (approx. US\$200 mln)", he explained.

"We have developed specific credit instruments for farmers, but sometimes the instruments we create are not as relevant as we would like them to be. Considering



the stakes when it comes to the agricultural sector, there is still much more to be done, and we are keen to see progress being made, as production levels are, in fact, stagnating and go below their potential".

The question is: what should be done? "Eighty percent of our loan book goes to ordinary crops – only 20% goes to high added-value crops. This is the type of challenge that we are seeking to overcome. We need to reinforce value chains, and adapt our financial products accordingly, and we also need to improve funding towards youth and women, not just to increase our portfolio, but also to support the more dynamic elements in our agricultural sector", Ndiaye explained.

→ Part III: Access to Finance - Programmes to Promote African Agriculture

Rachel Keeler, KPMG, Manager of the Africa Enterprise Challenge Fund – Kenya

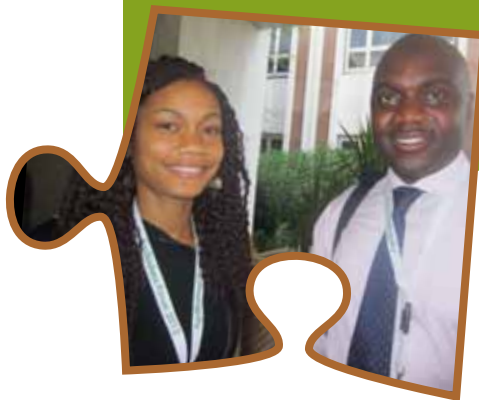
The Africa Enterprise Challenge Fund is managed by KPMG IDAS and funded by a multi-donor consortium made up of DFID (United Kingdom), Danida (Denmark), IFAD, CGAP, and AusAID (Australia). The fund supports private sector companies through competitions for funds to develop and test new and innovative business ideas in agri-business, rural financial services, renewable energy and adaptation to climate change in Africa.

"Since its launch in June 2008, AECF has run 16 competitions, received 4,456 applications, approved 133 projects in 22 African countries. We have committed US\$97 million out of a current capitalisation of US\$193 million. A total of 2.9 million people benefited directly from AECF projects in 2011, and this number is expected to reach 4 million this year", Keeler explained.

"AECF's **goals** are to fund innovative projects that benefit the rural poor; to demonstrate to the market that pro-poor business models and technologies can work and make money; and in doing so change the way markets function so that they better serve low-income communities". Ultimately, Keeler emphasised, "if social business models are successful, they will attract more commercial capital as risk perceptions adjust".

Keeler emphasised the importance of understanding that the private sector takes on huge financial risks when it invests, especially in agribusiness: Only one third of investments generate moderate or attractive returns on investment (above 12%), and just over half are financially viable. "Risks are reduced when investing in established agribusinesses rather than start ups, and in sound business models", she continued.





Jean-Luc Perron, Managing Director, Grameen Crédit Agricole Foundation – France

The Grameen Crédit Agricole Foundation is a partnership that began in 2008 between a global banking / insurance group and Professor Mohammad Yunus of Grameen Bank. Drawing on Professor Yunus' experience, Grameen Crédit Agricole Foundation has a mandate to contribute to the fight against poverty through microfinance and social business.

As a social business, social goals are at the centre of the Foundation's business operations. This means that although the business must turn a profit to be sustainable, all profits are reinvested to develop the business to better realize its social mission. From its inception until June 15, 2012, 60 project financings have been approved for a total amount of about EUR40 million. Perron further said that Grameen Crédit Agricole Foundation wanted to increase that number by specifically targeting African agricultural institutions and by developing a project facilitator, the Grameen Crédit Agricole Social Business Fund.

"Social business is about solving a social need through enterprise", Perron explained, "and examples of such businesses that we have supported include the Laiteries du Berger in Senegal, Grameen Danone in Bangladesh, and Phileol in Madagascar. Our total portfolio is valued at EUR42 million".

We are seeking to further expand our activities in order to be in line with our social mandate, and we intend to achieve this by:

- Developing our microfinance arm through a kick-starting facility;
- Developing agricultural insurance as an essential tool to develop agriculture, and we are partnering with PlaNet Finance in pursuit of this goal;
- Developing our social business through a social business investment fund. This is quite a unique approach, and the foundation is now in the final stages to raise EUR15-20 million for social business activities



Pierre van Hedel, Managing Director, Rabobank Foundation – The Netherlands

The final plenary presentation was given by Pierre Van Hedel, Managing Director of the Rabobank Foundation, on a framework for an inclusive food strategy.

"We all realise the challenge we are facing in terms of feeding humanity by 2050", van Hedel started, "and we need to ask ourselves what role there should be for smallholder farmers".

Rabobank Foundation believes that **cooperatives and farmer producer organisations**, as well as **rural financial development** can play a vital role in addressing these challenges.

"In our approach we consider factors such as market orientation, the political and regulatory system, internal governance, knowledge levels, ability to scale and overall sustainability", van Hedel said.

"This Forum has been a significant opportunity to make progress. I am pleased to see so many practical initiatives, and I am astonished by the quality of projects for the incubator", he concluded.

→ Panel Discussion

The plenary concluded with a lively panel discussion that touched on a number of access to finance-related topics such as risk management, the need for incubators, and the **need to ensure that policy-makers and decision-makers follow through on their engagements and pledges when it comes to agriculture**. The final word was to be held by Pierre van Hedel about risk management by bankers: "Sometimes, a banker needs to get out of his office, visit the farmer and see how that farmer milks his cow. If the farmer can milk his cow properly, the banker should consider providing him with a loan", van Hedel said, to loud applause from the delegates.



SPECIAL PRESENTATION: AGRICULTURAL TRANSFORMATION AGENDA: REPOSITIONING AGRICULTURE TO DRIVE NIGERIA'S ECONOMY

Tony Bello, Senior Adviser, Federal Ministry of Agriculture – Nigeria

Tony Bello gave a special presentation on Nigeria's Agricultural Transformation Agenda (ATA) and the repositioning of agriculture to drive Nigeria's economy.

Nigeria's food imports are currently growing at an unsustainable rate of 11% per annum. It is one of the world's largest importers of wheat (US\$11 million per day) and rice (US\$6 million per day). Such reliance on the import of expensive food on global markets fuels domestic inflation, and also puts high pressure on the national currency.

"The paradox is that Nigeria should be able to produce large amounts of what it currently imports", Bello declared. "Our vision is to grow Nigeria's agricultural sector. We have stopped treating agriculture as a development project, funding isolated projects that do not clearly grow the sector in a clear and measurable way. Instead, we have started treating agriculture as a business", Bello explained.

"We have begun integrating food production, storage, food processing and industrial manufacturing by value chains, and started focusing on value chains where Nigeria has comparative advantage. We are now also seeing agriculture as a sector in which to create jobs, ensuring incomes and food security".

Our new policies, institutions and financing structures to drive sector growth include:

- Deregulation of seed and fertilizer sectors;
- Marketing reforms to structure markets;
- Innovative financing for agriculture;
- A new agricultural investment framework

The Growth Enhancement Support has reached 880,000 poor farmers in almost all parts of the country.



OFFICIAL CLOSING OF THE FORUM

Gita Welch, Manager, Regional Service Centre Dakar, United Nations Development programme (UNDP) – Senegal

"Now that the Forum's proceedings have come to an end, and after so many inspiring sessions, we have food for thought, but also new impetus for action" Welch said. "On behalf of UNDP we have been especially encouraged by inspiring stories and the refreshing leadership that has been shown, especially by young upcoming farmers and entrepreneurs. Youth is the biggest hope for the progress of agriculture in Africa. The presence of banks and operators from the private sector is also very encouraging".

Welch emphasised the need for words to be followed by action: "It will now be crucial to keep the momentum going in the footsteps of the Johannesburg declaration. In this regard, UNDP pledges to continue playing its role. Inclusive markets and private entrepreneurship will guarantee the end of extreme poverty and open the path towards human development. Let us all continue to advocate and facilitate inclusive agriculture in Africa".

"We would like to extend our thanks to our partners and co-organisers, as well as to the people of Senegal", she concluded.

Pierre Mathijsen, President, EMRC International – Belgium

Prof. Pierre Mathijsen echoed Welch's remarks on inclusive agriculture and the importance of people. "Let us not only focus on businesses, but also on the humans and the individuals that are behind these businesses. It is the human being that counts. Our goal, through these conferences is to bring together these individuals and businesses, banks, representatives of civil society and others that are willing to contribute to the growth of agriculture and human development on the continent. And support does not only come in financial terms, but also in the form of advice and capacity building", he ended.

Idit Miller, MD & Vice President, EMRC International – Belgium

Idit Miller followed Prof. Mathijsen on the podium. "We have just been through three intense days of discussion, debate and burgeoning business partnerships. My first and foremost ambition is that these 3 days have allowed all of us to ensure that the African continent is one step closer to developing its agricultural sector so that its citizens and the world can benefit today, tomorrow and in the long-term future", she said.



"An increasing number of stakeholders are joining us, and share our understanding of the importance of developing a strong agricultural base in Africa. This year has been no exception and in fact has proved to go beyond our expectations. The year 2012 has also consolidated our young partnerships with two organisations, PanAAC and UNDP. Private-Public Dialogue is an essential component for success and I would like to congratulate the whole UNDP and PanAAC teams", she continued.

"I would also like to give a special mention to FAO - our trusted partner for many years. Without FAO's guidance and trust, EMRC would not be where it is today. Rabobank Foundation is also a key part of the equation, with the unique Project Incubator Award which brings out the very best of entrepreneurial Africa".

Miller concluded by thanking the delegates for their presence and active participation, and for the hospitality of the Senegalese Government and people, as well as the continued support from EMRC's sponsors: FARA, UNIBRAIN, KWARA STATE, AFRICARE, PNSA, USAID, SYGENTA, Amiran Kenya, AFREXIM BANK, ITC.

Moussa Seck, Chairman, PanAAC – Senegal

Moussa Seck had the honour of making the closing remarks. "The AgriBusiness Forum has firmly established itself as one of the most important annual meetings in Africa today", he opened.

Seck called on governments to channel investment into agriculture as a strategic priority: "Policy makers need to understand that it's not just a matter of supporting the production of a particular crop, but rather a matter of participating fully in the development of a coherent agricultural value chain. A farmer cannot produce anything without seeds, fertilizers, water and equipment. For each of these aspects, we will need more expertise and more investment", he explained. "Agriculture is a value chain and each step contributes to adding value".

"We also need to remember that agriculture is about much more than just growing food: It frees up time and resources, and therefore is a pillar of civilisation, economic growth and development", Seck added. "Agriculture therefore needs to be at the centre of any development strategy in Africa, and be considered a strategic sector, as is the case in the European Union, the United States, Brazil and all other successful agricultural nations", he concluded to general applause from the delegates.



The FARA/UniBRAIN participants should thank you for a very successful event. The experiment with the three minute elevator pitches worked very well and elicited a lot of helpful feedback and real interest in collaboration. Now that we have confidence that they work our pitches will surely get even better. Building on experience from Johannesburg the UniBRAIN Facility and Agribusiness Incubation Consortia had very successful B2B meetings. We thank Idit and the whole EMRC team.

Ralph van Kaufmann





I would first of all encourage anyone who has something in line of business to participate in the EMRC-Rabobank Project Incubator Award competition. This is because in this competition there is a levelled playground for everyone, the judges are free and fair and you get what you deserve.



Lovin Kobusingye head of Kati Farms Uganda



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