

THE AGRI-FOOD SECTOR: A CATALYST FOR SUSTAINABLE AND INCLUSIVE GROWTH IN AFRICA

Kigali, Rwanda | Serena Hotel



CONFERENCE REPORT

6-9 October 2013



CONFERENCE REPORT

- AGRIBUSINESS FORUM 2013 -

THE AGRI-FOOD SECTOR:
A CATALYST FOR SUSTAINABLE AND
INCLUSIVE GROWTH IN AFRICA





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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,

This report will give you an overview of the various topics discussed during another successful EMRC AgriBusiness Forum, which saw an important number of people coming from across the African continent and the world to discuss the future of Africa's agri-food sector.

Previous similar conferences were held in Cape Town, Johannesburg, Kampala and Dakar. These places are proof of the commitment of EMRC to the development and wellbeing of Sub-Sahara Africa. EMRC does this by helping agricultural enterprises and individual entrepreneurs to connect with third parties from all over the world, who can assist them technically and financially, to expand their agricultural endeavors.

The latter, this "interconnection", is presently the main objective pursued by EMRC at its African conferences, which we are able to organize thanks to the concrete cooperation of the authorities of the host countries.

This year especially, it appears to me, that these encounters between donors and experts on the one side, and private small and medium-size agricultural businesses, on the other, were numerous and, we hope and believe, productive for both parties.

EMRC is convinced that the food production in Africa can, indeed, be developed to the point of being able, not only to easily feed its own population, but also to export its products to the rest of the World. We, in that other "rest" of the world, need and want African agricultural products; and, consequently EMRC's efforts explained above, will be beneficial not only for Africa, but also for the rest of the World!

Faithfully Yours,



Pierre Mathijsen
President of EMRC International

FOREWORD by the Minister of Agriculture and Animal Resources,

Dr. Agnes Matilda Kalibata

I would like to express my appreciation for your dedicated participation in the Agribusiness Forum 2013 that was hosted by the Government of Rwanda and organized by the Ministry of Agriculture and Animal Resources (MINAGRI) in partnership with European Marketing Research Center's (EMRC) and the Rwanda Development Board (RDB) to promote investment in the agriculture sector in Africa. The forum was held at Serena Hotel, Kigali from 6th - 9th October, 2013.

With immense gratitude, I acknowledge your commitment and continuous interest and consider it an honor to have had great speakers and moderators whose expertise motivated the audience and generated a high level of interest and enthusiasm that made our time during the Forum productive and impactful. Our primary goal was to promote investment in the agriculture sector in Africa. In this respect, there were many topics covered during the Forum that were informative and enlightening to the audience.

The Forum was an overwhelming success, attracting more than 400 delegates, speakers and sponsors from different countries and provided great intellectual and social interaction for the participants. Being exposed to such a diverse group of individuals was exciting and inspiring. The Forum was meant to be a starting point for the business partnerships and cooperation in the agriculture field and I believe it provided a great opportunity to learn, enrich our knowledge and understanding on agribusiness and network.

I appreciate the support and commitment from the Government of Rwanda, EMRC, RDB, our Development Partners and Sponsors, without their facilitation, the Forum would not have been the success that it was. Special thank you to the Ministry staff for their commitment and hard work in preparation of the Forum.

Once again, I would like to convey my deepest appreciation to all Agribusiness Forum 2013 participants who reposed their trust in us and spared time to attend and contribute to the Forum, we owe it to them to thank them for their presence that was critical to the success of the event. I trust that you found your involvement in the Forum both valuable and rewarding.

Yours Sincerely,



Dr. Agnes Matilda Kalibata
Minister of Agriculture and Animal Resources





PREFACE

EMRC's AgriBusiness Forum is an annual gathering of African and international experts focusing on ensuring the future of Sub-Saharan Africa's Agri-food sector. Originally held in Europe, this renowned forum is now hosted by an African city: Held initially in Cape Town in 2009, followed by Kampala in 2010, Johannesburg in 2011, and in Dakar 2012, Kigali seemed the natural destination for 2013, with the Government's national drive to increase agricultural outputs and as the gateway to East Africa.

This year's forum was organised in partnership with Rwanda's Ministry of Agriculture and Animal Resources (MINAGRI) and Rwanda's Development Board (RDB), providing a platform for 'live debates' and an environment for business interaction and private – public dialogue and partnerships.

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 the Agri-Food sector across Africa and beyond in response to the rising global demand for food.

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
- **Special 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).



MINAGRI GOALS AND MISSION

MINAGRI's goal is to modernize agriculture and livestock to achieve food security.

The agriculture sector contributes about 35% to the national GDP, and is an area with priority development, employing about 80% of the population in Rwanda. It has been the main driver of growth and poverty reduction, having pulled 1 million people above the poverty line in only five years.

It is the foundation and backbone of the economy, and has witnessed increased investments in agricultural inputs, land consolidation, infrastructure, and production. With increased commercialization, the agriculture sector has been the driving force for about 45% of poverty reduction in the last decade.

The Ministry's mission is to initiate, develop, and manage suitable programs of transformation and modernization of agriculture and livestock to ensure food security and to contribute to the national economy. Our efforts are to drive the sector towards practices, techniques, and technology that will fulfill the country's vision of self-sufficiency.

ACKNOWLEDGEMENTS

EMRC & MINAGRI would like to thank the Government of Rwanda for hosting the Agribusiness Forum 2013. Hosting the Forum demonstrates the Government's strong commitment to support the development of the Agri-Food sector in Africa.

Once again, the 2013 Forum would not have been possible without the invaluable support of the **UN Food and Agriculture Organization (FAO)** and **Rabobank Foundation** as well as the **Rwanda Development Board (RDB)**.

We also would like to thank our partners: **LR Group, UniBRAIN, FARA, Banque Populaire du Rwanda, Belgian Development Agency, Osun State of Nigeria, ProCAD, Fonds de Promotion de l'Industrie, IFDC, Balton, Bralirwa, Minimex, PSF, CooPac, I&M Bank, NaeB, Rwanda Mountain Tea, the International Finance Corporation** as Knowledge Partner and the **African Business Roundtable** as Networking Partner.





FORUM PROGRAMME

Day I 6 October 2013, Sunday

09h00-11h00	REGISTRATION THROUGHOUT THE DAY
11h00-13h00	PRE-CONFERENCE TRAINING PART I: HOW TO SUCCESSFULLY WRITE A BUSINESS PLAN <ul style="list-style-type: none"> • Zano Mataruka, Regional Head Sub-Saharan Africa Agribusiness & Forestry, IFC, Kenya • Arthur Levi, Member of EMRC Executive Board, Belgium • Michael Schlup, Regional Mgr Africa, Bunge Environmental Markets, S.Africa
13h00-14h30	NETWORKING LUNCH
14h30-16h30	PRE-CONFERENCE TRAINING PART II: HOW TO SUCCESSFULLY PRESENT A BUSINESS PLAN
16h30-18h30	PRESENTATION OF DELEGATES
18h30	ICE-BREAKING COCKTAIL

Day II 7 October 2013, Monday

	SUSTAINABILITY DAY
	OFFICIAL OPENING " AGRIBUSINESS FORUM 2013"
08h00-09h00	ARRIVAL OF CONFERENCE PARTICIPANTS, DIPLOMATIC CORPS AND OTHER DIGNITARIES
09h00-09h30	ARRIVAL OF MINISTERS
09h30-10h00	ARRIVAL OF GUEST OF HONOUR
10h00-10h10	NATIONAL ANTHEM
10h10-10h25	Pierre Mathijssen , President, EMRC International – Belgium
10h25-10h40	Agnes Kalibata , Minister, Ministry of Agriculture and Animal Resources, Rwanda
10h40-11h00	Akinwunmi Ayo Adesina , Federal Minister of Agriculture & Natural Resources, Nigeria
11h00 – 11h30	KEYNOTE ADDRESS BY GUEST OF HONOUR: H. E. Prime Minister of Rwanda, Pierre Habumuremyi
11h30-12h00	COFFEE & TEA

SESSION I – Agriculture and agribusiness together are projected to be a US\$1 tn industry in Sub-Saharan Africa by 2030; how to ensure sustainable growth for the sector? What are the factors (from the public and the private sector perspectives) that induce investors to come in or to refuse?

Moderator: Mark Austin, Senior Operations Specialist, World Bank, Rwanda

12h00-13h30	<ul style="list-style-type: none"> • Alhaji Jallow, FAO Representative in Uganda, Uganda • Ian Wood, Chairman, Wood Family Trust, UK • Amata Diabate, UNDP Resident Rep., Rwanda • Jonathan Hall, Managing Director – Bralirwa, Rwanda • Ami Lustig, President & CEO – LR Group, Israel • Gagan Khurana, Country Operations and Partnerships, Grow Africa, Switzerland
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13h30-14h30	NETWORKING LUNCH
14h30-15h30	<p>SPECIAL SESSION – EMRC – RABOBANK PROJECT INCUBATOR AWARD PRESENTATIONS OF 4 PROJECT FINALISTS</p> <ul style="list-style-type: none"> • Bukola Adeshina, A & SHINE INTERNATIONAL LTD, Nigeria • Cathy Mbuyi Tshiswaka, OPTIFOOD PRODUCTION, DRC • Peace Byandusya, MUSHROOM TRAINING AND RESOURCE CENTRE, Uganda • Jean Claude Ruzibiza, RWANDA BEST, Rwanda
15h30-16h30	<p>MINISTERIAL ROUNDTABLE</p> <p>Moderator: Negatu Makonnen, Country Representative, AfDB, Rwanda</p> <ul style="list-style-type: none"> • Agnes Kalibata, Minister, Ministry of Agriculture and Animal Resources, Rwanda • Julien Nkoghe Bekale, Minister, Ministry of Agriculture, Gabon • Ruth Nankabirwa Ssentamu, Minister, Ministry of Agriculture, Uganda
2 PARALLEL WORKSHOPS	
16h30-18h00	<p>WORKSHOP A – ACCESS TO MARKETS: INFORMATION SYSTEMS AND COMMUNICATION TECHNOLOGY MODERATOR: Innocent Ntabana Consultant, IFDC (International Fertiliser Development Centre), Rwanda</p> <ul style="list-style-type: none"> • Olaf Erz, Country Representative and Regional Manager East Africa, ICD (International Institute for Communication and Development), Ethiopia • Titus Nalinda, Research Assistant, Makerere University, Uganda • Martin Drevon, Chief of Party/ PReFER Project, Rwanda • Bridget Okumu, AMITSA Program Coordinator, IFDC, Kenya • Willen Selen, IT Specialist, IFDC, Kenya
16h30-18h00	<p>WORKSHOP B – AGRIBUSINESS INCUBATION, AN INSTRUMENTAL TOOL TO UNLEASH THE POTENTIAL OF AFRICAN AGRICULTURE AND ECONOMIC TRANSFORMATION</p> <p>Moderator: Michael MaKokha, Founder and CEO, Adaptive Seed Company Ltd, Kenya</p> <ul style="list-style-type: none"> • Steven Giddings, Regional Facilitator Africa, World Bank - Infodev, South Africa • Alex Ariho, Facility Coordinator, UnBRAIN, Ghana • Henry Bwisa, Full Professor of Entrepreneurship at JKUAT and Chairman of the Investment Promotion Centre, Kenya • Somasundaram S.M. Karuppanchetty, Chief Executive Officer, ABICRISAT, India • Charles Kwesiga, Executive Director, Uganda Industrial Research Institute, Uganda
19h00	<p>Gala Evening: Presentation of the Project Incubator Award 2013 and the AgriBusiness Award 2013, in the presence of government officials, ambassadors, media and the business community.</p> <p>Special Presentation: H.E Ogbenl Rauf Aregbesika, Executive Governor, Osun State, Nigeria</p>

Day III	8 October 2013, Tuesday
INCLUSIVITY DAY	
PLENARY SESSIONS	
<p>SESSION II – How to prepare smallholder farmers for commercial partnerships: strategies to enhance smallholders farmer incomes and market access Moderator: Carlos Da Silva, Senior Agribusiness Economist, FAO, Italy</p>	
09h00-10h00	<ul style="list-style-type: none"> • Rebecca Savole, Country Director, Technoserve, Tanzania • Wainena Kung'u, Export Trading Company, Kenya • Claude Mansell, General Director, Minimex, Rwanda • Raf Somers, Co-Manager of Seeds & Agricultural Development Program, Belgian Development Agency, Rwanda • Marcos Le Moal, PAA Africa Project, WFP-FAO Niger • Yariv Kedar, Managing Director Sustainable Agribusiness – Amiran Kenya, Kenya
<p>SESSION III – Agro-industries development: promotion in the East Africa Community: a pathway for inclusive market access</p>	
10h00-11h15	<p>Moderator: Alhaji Jallow, FAO Representative in Uganda, Uganda</p> <ul style="list-style-type: none"> • Nuhu Halibu, Chief Executive Officer, Kilimo Trust E. Africa, Uganda • Fiona Lukwago, Assistant Director, Kilimo Trust E. Africa, Uganda • Moses Marwa, Principal Agricultural Economist – EAC, Tanzania • Beni Gabre-Madhin, Chief Executive Officer, Beni LLC, Kenya
11h15-11h30	COFFEE BREAK
Special Session – Rwanda investment opportunities in the Agri-Food Sector	
11h30-13h15	<p>Moderator: Nuhu Halibu, Chief Executive Officer, Kilimo Trust E. Africa, Uganda</p> <p>PANEL DISCUSSION:</p> <ul style="list-style-type: none"> • Agnes Kalibata, Minister of Agriculture and Animal Resources, Rwanda • Clare Akamanzi, Chief Executive Officer, Rwanda Development Board • Hannington Namara, Chief Executive Officer, Private Sector Federation, Rwanda • Paul Kukuba, Chief Executive Officer, East African Exchange, Rwanda • Peter M. Kerkhoven, Co-founder, Tierra BV, Netherlands
13h15-14h30	NETWORKING LUNCH
14h30-19h00	One-on-One Business Meetings
19h30	NETWORKING DINNER



Day IV	9 October 2013, Wednesday
	FINANCING DAY
	Session IV – Facilitating access to Finance in the agribusiness PART I: The role of commercial financing
	Moderator: Arthur Levi, Member of EMRC Executive Board, Belgium
09h00-10h30	<ul style="list-style-type: none"> Sylvia Ngare, Advisor to the CEO - Centum, Kenya Ephraim Turahiwa, Chief Executive Officer, Banque Populaire du Rwanda Ami Lustig, President & CEO – LR Group, Israel Eric Kaleja, Resident Representative – KfW/DEG, Kenya Daniel Muhimuzi, Country Manager, Olkocredit, Rwanda
10h30-11h00	COFFEE AND TEA
11h00-12h30	Part II: Public and donors finance, how to make it successful; increasing investment in Agriculture and agro-industry Moderator: Arthur Levi, Member of EMRC Executive Board, Belgium <ul style="list-style-type: none"> Pichette Kampeta Sayinzoga, Permanent Secretary, Ministry of Finance and Economic Planning, Rwanda Negatu Makonnen, Country Representative, AfDB, Rwanda Nuria de Oca, Global Indicators and Analysis Financial and Private Sector Development, World Bank, USA M. Kalyanasundaram, Chief Executive, DHAN International, India
12h30	ANNOUNCEMENT OF THE 2014 EDITION OF THE "EMRC AFRICA FINANCE & INVESTMENT FORUM" <ul style="list-style-type: none"> Idit Miller, Managing Director, EMRC Belgium Eric Kaleja, Resident Representative – KfW/DEG, Kenya OFFICIAL CLOSING OF THE FORUM <ul style="list-style-type: none"> Ernest Ruzindaza, Permanent Secretary, Ministry of Agriculture, Rwanda
13h00-15h00	NETWORKING LUNCH GUESTS DEPART AT THEIR PLEASURE
15h00	VISIT TO KIGALI GENOCIDE MEMORIAL CENTRE

EXECUTIVE SUMMARY

This year's AgriBusiness Forum provided a pan-African platform focusing on: *The Agri-Food Sector: A Catalyst for Sustainable and Inclusive Growth in Africa*, hosted by the Government of Rwanda & the Ministry of Agriculture and Animal Resources (MINAGRI) and organised in collaboration with the UN's Food and Agriculture Organization, Rabobank Foundation and Rwanda's Development Board (RDB).

The spotlight was on the current and potential inclusive and sustainable trends and financial channels to ensure the Agri-Food sector's growth in Africa. Presentations focused on Rwanda, the East African region and the continent as a whole with private and public sector representatives providing the necessary insight and policy evaluations to ensure forum participants left with an in-depth understanding to what lies ahead for the sector's future.

Key figures, ranging from Ministers, CEOs, community representatives as well as individual business people from the continent and beyond gathered for four days of intense discussions and business opportunities. In all, around 400 participants were present, coming from 41 countries over 4 continents.

Sub-Saharan Africa's potential to be part of the solution to the growing issues linked to global food security has become a priority for the international community. With no less than six of the world's 10 fastest growing countries over the past decade, Africa is today attracting increased investment, reaching US\$55 billion in 2011. This growth is expected to continue, supported by an expanding population of over 1 billion.

Officially opened by the Prime Minister of Rwanda, Pierre Habumuremyi, and the Minister of Agriculture and Animal Resources Agnes Matilda Kalibata, Ministers from Nigeria (Akinwunmi Ayo Adesina), Uganda (Ruth Nankabirwa Sentamu) and Gabon (Julien Nkoghe Bekale) were at hand to fuel a regional and pan-African vision to the Forum, showcasing current local and regional agricultural initiatives taking place and partaking in finding solutions to the ongoing hurdles and issues faced by Governments and communities across the continent.



MINAGRI Rwanda spotlighted the country's current policies and illustrated to the international audience how the country has become a leading example of a nation using its renewed stability, its desire for innovation and constant economic growth (7% per annum) to push agriculture to the top of the national agenda as a means to ensure employment, income generation and fueling increased foreign direct investment.

This approach was also clearly stated by Akinwunmi Adesina during the Forum's opening, "Agriculture isn't a development activity but it's a business to create wealth and thus all the players along the value chain from seeds all the way up are crucial" he explained, "Agriculture is a reliable export because demand is there."

The Forum was divided by subject, with Day II focusing on Sustainability, Day III dealing with Inclusivity and Day IV dedicated to Finance. Topics included: Agriculture and agribusiness together are projected to be a US\$1bn industry in Sub-Saharan Africa by 2030: how to ensure sustainable growth for the sector? What are the factors (from the public and the private sector perspectives) that induce investors to come in or to refuse, how to Access African markets: information systems and communication technology; how to prepare smallholder farmers for commercial partnerships: strategies to enhance farmer incomes and market access, amongst others. The plenary sessions began with a panel of expert, allowing participants to gain an important overview of the particular topic. This was then followed by a series of question and answer sessions providing for lively debate.

As the host country, a Special Session – "Rwanda investment opportunities in the Agri-Food Sector" was organized to highlight the work currently being undertaken by the country to reinforce the Agri-Food sector and the important investment and business opportunities available. Rwanda's Minister of Agriculture & Animal Resources, Agnes Kalibata, focused in her presentation on the need to include private sector initiatives to empower the country's farming communities and recognized the need for public - private partnerships across the board. The Minister also highlighted the importance of the land consolidation principle where farmers use their land communally.

Once again, outstanding projects for the **EMRC-Rabobank Project Incubator Award** were presented and the finalists were: Bukola Adeshin representing A & Shine International - Nigeria, Cathy Mbuyi Tshiwaka representing OptiFood Production - DRC, Jean Claude Ruzibiza of Rwanda Best - Rwanda and Peace Byandusya from the Mushroom Training and Resource Centre – Uganda delivering quality presentations and projects.

Jean Claude Ruzibiza of Rwanda Best, whose project combined the virtues of sustainability, growth and provides income and employment for the local community, was named the winner and received a US\$15,000 cash prize.

In addition, this year saw the Executive Governor of Osun State, Nigeria, His Excellency Rauf Aregbesola handed the **EMRC Agribusiness Award 2013** for his important contribution to implementing policies to grow the State's Agri-Food sector, parallel to empowering and investing in local populations and youth and for setting a precedent for the entire continent.

The forum was preceded by a training given by international experts on how to successfully write a business plan, and in addition an entire afternoon was dedicated to Business-2-Business sessions, which saw over 600 meetings take place to the delight of all those involved.



DAY I - 6 October 2013

PRE-CONFERENCE

Training Part I: How to successfully write a Business Plan

Training Part II: How to successfully present a Business Plan

Trainers:

Zano Mataruka, Regional Head Sub-Saharan Africa Agribusiness & Forestry, IFC, Kenya,

Arthur Levi, Member of EMRC Executive Board, Belgium

Michael Schlup, Regional Mgr Africa, Bunge Environmental Markets, South Africa

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.

The moderators split the delegates into 18 groups, giving them an assignment to spotlight a company. A 20-minute preparation time was allocated, followed by a 5 minute presentation for each group.

The training also acted as an informal ice-breaking event, where participants could introduce themselves and network.



DAY II - 7 October 2013 - SUSTAINABILITY DAY

OFFICIAL OPENING

Prof. Pierre Mathijsen, President, EMRC International-Belgium
Prof. Mathijsen officially opened the AgriBusiness Forum 2013. He initially spoke on behalf of EMRC, expressing the organisation's gratitude to the Government of Rwanda and the Ministry of Agriculture and Animal Resources for hosting the forum and for opening its doors to allow people from across the world to attend and network, partner and do business. He then focused on the role of Africa, and the continent's ability to fight back in times of adversity.



"This same strength can be used in agriculture by working with small individual agricultural entrepreneurs," he noted. "This is one of the main reasons why EMRC brings together all the people under one roof so as to connect with those who can provide investment and technology to help these businesses to grow." He concluded by thanking the Prime Minister

of Rwanda, Hon. Pierre Damien Habumuremyi, for

being present and all those who were in attendance.

Dr. Agnes Kalibata, Minister of Agriculture and Animal Resources, Rwanda "Agriculture is a pillar for development" the Minister began by saying. She invited and welcomed all delegates attending the forum, and announced that governments and the private sector must work together and partner for agriculture to really take off. This will enable real tangible agri-business partnerships and linkages to occur.

The Minister highlighted the need for the private and public sector to work together. She emphasized that this was one of the main reasons for hosting the AgriBusiness Forum; to gather people from all parts of the value chain together to establish partnerships. She called on the audience to take the opportunity that they were in Kigali to find out about the Agri-Food business opportunities available in the country and to potentially establish partnerships. She also added, "It's thus not just an opportunity for Rwanda only to benefit from the forum but also an opportunity for the whole African continent."





Dr. Akinwunmi Ayo Adesina, Minister of Agriculture and Rural Development (Federal Republic of Nigeria), Nigeria

The Minister gave a rousing speech focusing on the many attributes of the Agri-Food sector. "Agriculture isn't a development activity but it's a business to create wealth and thus all along the value chain from seeds all the way up the involvement of the private sector, everyone is crucial" he explained. He then highlighted that agriculture is a reliable export because demand is there and there is therefore a significant potential for agriculture in Nigeria and other parts of Africa. The key for Governments is to enable private sector transformation to be involved in this development. At the centre of any agricultural revolution is input provision, but government needs to hand this over to the private sector to ensure sustainability and effectiveness. Countries should also not just focus on production, but processing. This adds value. He then cited examples where Nigeria had excelled such as in cassava and wheat processing. He added that agriculture is the only sector where jobs are created at every stage such as ploughing, planting and harvesting.

Hon. Pierre Damien Habumuremyi, Prime Minister of Rwanda



The Prime Minister also highlighted the importance of agriculture. He explained that one had to move from subsistence to market oriented agriculture, to engage in agri-business and to add value through processing and marketing. The Government of Rwanda recognizes the role of agriculture and the significant role it plays in the economy, contributing to about 33% of GDP in 2012. The Government of Rwanda's approach is on market oriented farming and EDPRS policies have contributed to increase productivity and youth employment in the agricultural sector. Stimulation of the agribusiness sector will be achieved by allocating budget, by involving the private sector and for a conducive environment for the private sector to operate in. He gave the example that it only takes 6 hours to open a business in Rwanda, which has contributed to a 70% boost in investments from both local and foreign investors in the last two years. He ended his speech by saying that he hoped the forum would be an opportunity to network, build business partnerships to take home and implement, and support African agriculture.

SESSION 1: Agriculture and agribusiness together are projected to be a US\$1.5 trillion industry in Sub-Saharan Africa by 2030. How to ensure sustainable growth for the sector? What are the factors (from the public and the private sector perspectives) that induce investors to come in or to refuse it?

Moderator: Mark Austin, Senior Operations Specialist, World Bank, Rwanda



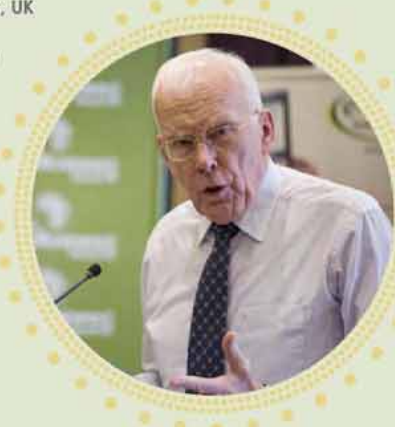
Alhaji Jallow, FAO Resident Representative in Uganda, Uganda

Alhaji Jallow began by saying that global food challenges are different from those of the past and so are their solutions. Recent developments have brought solutions and tangible results to different issues but also created barriers. Small scale farmers are key for agribusiness to be sustainable and thus should be considered as a resource not a consequence. To ensure sustainable growth the following has to be done:

- Developing financial linkages to facilitate access to finance.
- Enhancement of public-private partnerships.
- Promote inter-regional trade.
- Post-harvest loss reduction.

Sir Ian Wood, Chairman, Wood Family Trust, UK

Sir Ian Wood started by stating that the Wood Family Trust's main goal is to help people so that their businesses are sustainable by philanthropy or using business principles. He highlighted the Trust's involvement in chai tea projects in Tanzania and Imbarutso in Rwanda. He also mentioned the importance of the role of the smallholder farmers in the tea industry and that there are many challenges which involve changing their culture and mindset. He concluded by saying that there's a lot of room for improvement and investment in the tea industry.



Amata Diabete, UNDP Resident Rep, Rwanda

Amata Diabete reiterated the need to further strengthen linkages to agricultural development like inputs so as to prevent post-harvest losses.

Agribusiness can lead to the reduction of poverty not only in Africa but also other poverty stricken areas. There has to be value addition to produce and there is need to increase capacity. This is one of the main reasons why One UN Rwanda focuses on the improvement of agriculture through value chains (3ADI). The UN is also supporting EDPRS2, technology and professionalization of mostly youth and women in Rwanda.



Jonathan Hall, Managing Director, Braliwa Rwanda

Jonathan Hall started his discussion by talking of Braliwa and minimex's joint venture in an irrigation scheme on 260 Hectares of land, from which they will be producing seeds from and for Rwanda which they expect to supply to small scale farmers. He stated that over 200 jobs have been created as a result of the irrigation scheme and currently they are looking for ways to partner with the local small scale farmers.

By giving this particular example he wanted to showcase that doing business in the Agri-Food sector is more than possible. However, the most critical factor for success is to have a good business environment to work from.



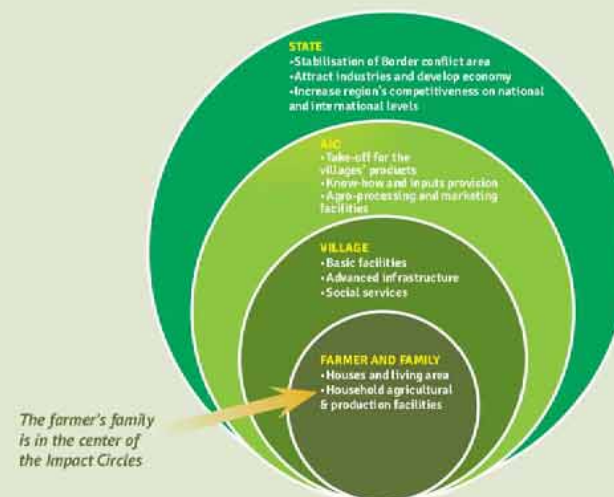
Ami Lustig, President& CEO – LR Group, Israel

Ami Lustig talked briefly about the LR Group saying that it's a construction company that deals with everything from infrastructure to rural development and in agriculture they mainly deal with dairy interventions. His presentation was cautionary yet also visionary. "Agriculture is about management and risk hedging" he said. He underlined the fact that one can reap big one day and experience losses another thus management is key. With proper management one can make investment become very fruitful.

He also showed how LR Group has managed to work with the public and private sectors and that the group was confident that agriculture in Africa has a lot of potential and partnerships were key to this potential.



ADAMA LEVELS OF IMPACT





**Gagan Khurana, Country Operations,
Grow Africa Initiative, Switzerland**

The next presenter was Gagan Khurana who explained that the small scale subsistence farmers base their activities on minimizing risks and costs but they never think about productivity. The African subsistence farmer (smallholder) is stuck in a poverty trap preventing him from improving his livelihood. "To reach innovative solutions farmer associations, companies and governments need to come together and create cost efficient mechanisms to integrate smallholders into formal value chains" he said. The requirement is that they have to reach out to geographically dispersed smallholders through a direct supply chain that guarantees: transparency, fair trade, price stability and traceability.

Grow Africa aims to develop a robust investment portfolio which will allow for an exponential increase in investments into Africa. Smallholder integration into formal value chains is an important part of this process

1 Follow-up on Letters of Interest	2 Deeper relationships with Grow Africa partner countries	3 Validate small holder engagement models through innovative projects	4 Creation of a robust and ample investment portfolio
<ul style="list-style-type: none"> Grow Africa will keep working at facilitating investments under the LCI framework The companies at times have expressed an inability to follow-up on their LOIs commitments due to lack of investment projects or the high costs of reaching to smallholder farmers 	<ul style="list-style-type: none"> Given high-level of interest of the governments, Grow Africa will focus on the following countries: <ul style="list-style-type: none"> Rwanda Malawi Tanzania Burkina Faso Nigeria Ethiopia Mozambique 	<ul style="list-style-type: none"> Grow Africa is committed to finding solutions on engaging smallholder farmers efficiently into formal value chains. This has been validated by various private sector partner companies Grow Africa is planning on implementing various pilots to evaluate innovative models which could be relevant in the African context 	<ul style="list-style-type: none"> Grow Africa is also in the process of developing an investment portfolio framework This tool will resolve the problems related to project definition and also channel potential investments into opportunities which fit in with national objectives of Grow Africa countries

Grow Africa aims to ensure environmental sustainability and farmer income growth as key filters for all investments into the sector

growafrica





EMRC-RABOBANK PROJECT INCUBATOR AWARD

Projects in line for the EMRC-Rabobank Incubator Award were introduced by **Pierre van Hedel, Managing Director of Rabobank Foundation, The Netherlands.**



Pierre began by stating that Rabobank is a cooperative bank that started 100 years ago; he noted that 20 proposals were received for the Award and the evaluation committee, made up of Rabobank and EMRC, chose 4 projects. He explained that the criteria for selection is based on market orientation, sustainability, knowledge, financial ability, governance, attitude and commitment but above all the project has to contribute to the development of rural communities.

Bukola Adeshina, A & Shine International Ltd. Nigeria:

The company deals in bee-keeping and is the leading company in processing and packaging of honey in Nigeria. They have an agreement with local bee keepers who have 2000 hives in the cooperatives that they operate in. Currently the company delivers annually, on average, 90 tonnes of different flavoured honey into the Nigerian market against a projected consumer demand of about 250 tonnes locally. "We need to improve the nature in which honey is harvested and add value to it," she said.



Cathy Mbuyi Tshiswa, Optifood, Democratic Republic of Congo:

Cathy's project deals with the transformation and conservation of Agri-Food products. Situated in DRC, it was created in 2006 and employs 10 people, 6 women and 4 men. The activities of Optifood enterprise focus on the transformation of pepper in puree form and in dried form, dried vegetables, fruit juice and wine.



Peace Byandusa, Mushroom Training and Resource Center, Uganda:

It is a registered Community Based Organization in South Western Uganda aiming at improving the livelihood of rural communities through the cultivation of oyster mushrooms. The center was launched in 2007 and has a strong collaboration with farmers for over six years. The center offers training in mushroom production, technologies for mushroom processing and seeks markets. The beneficiaries of the center are local communities mostly women and youth entrepreneurs, vulnerable members of the society and institutions of learning.

Jean Claude Ruzibiza, Rwanda Best Farm Ltd, Rwanda:

Africa Best is a poultry farm that was established in 1998 on a small scale with 100 layers for egg production in Rulindo District. Currently Rwanda Best has five main activities, poultry farming and agribusiness, specializing in horticulture and mushrooms. The farm activities extend approximately on four hectares and are negotiating more land to accommodate a farmers training centre with a demo farm, waiting only for the availability of the funds to conclude the deal. "We think that a training centre with a demonstration farm is needed to build the capacity of local farmers and move them from traditional agriculture to income generating farming" he said.





MINISTERIAL ROUNDTABLE: Transforming agriculture for economic growth

Moderator: Negatu Makonnen, Country Representative, AfDB, Rwanda

Julien Nkoghe Bekale, Minister of Agriculture, Gabon

Julien Nkoghe Bekale pointed out that even though Gabon is mainly an oil producing country, the Government intended to develop in all areas, such as creating agricultural development zones so that farmers are able to access what they need.

"We don't want to be solely associated with oil but also agriculture due to the fact that we have agricultural land, water and sun."

He then announced that as previous speakers had also mentioned, governments are poor at doing business thus involvement of the private sector is key and fiscal facilitation has to be achieved.

Agnes Kalibata, Minister of Agriculture and Animal Resources, Rwanda

Agnes Kalibata announced that the policy framework in Rwanda is based on three pillars:

- To be a middle-income country by 2020
- Private sector involvement not the public sector
- We have a small scale farmer sector because of the high population in relation to the land.

The Minister then discussed the issue of land consolidation, which is based on the principle that farmers use their land communally but the individual farmers own their land and are given title deeds such that they feel comfortable in tilling and harvesting communally. With land consolidation, inputs to farmers are easily reachable.

She also highlighted the significant improvement in the agricultural sector since the country had decided to put Agri-Food policies at the top of the national agenda. With a government focused on agricultural growth and a private sector provided with a conducive environment to do business, successful results are achievable, she explained.

FOOD SECURITY TRENDS

EXPANSION OF BASIC FOOD CROP PRODUCTION RAISED BY 43%
(OVER EDPRS I PERIOD)



Ruth Nankabirwa Sentamu, Minister of State for Agriculture, Uganda

Ruth Nankabirwa Sentamu announced that there is a need for a development plan where agriculture should be among the five key priority areas. Policies should be enacted so that the government doesn't involve itself in business. Farmers should also be given guidance on key enterprises to engage in so that they are able to easily access markets and value addition becomes possible.

"There are ten enterprises that the Government of Uganda has prioritized so that value addition, marketing and production are easily achieved," she said. Policies should also be streamlined such that investors are able to easily conduct businesses.

PARALLEL WORKSHOPS

Workshop A: Access to market, information systems and communication technology

Moderator: Innocent Ntabana, Consultant, IFDC (International Fertiliser Development Centre), Rwanda

Olaf Erz, Country Representative and Regional Manager East Africa, IICD (International Institute for Communication and Development), Ethiopia



Olaf Erz began his presentation by showing the link between growth and technology, including the use of mobile phones. Some farmers are illiterate but can still use modern communication technologies.

The International Institute for Communication and Development (IICD) is present in 12 countries in Latin America and Africa; its major concerns are agriculture, health and education to promote the development of people in a sustainable and responsible way. The support offered is at the local, regional, federal level and among NGOs. Farmers receive information through technology to enable them to collect all the market data that would

help them in their business. The IICD experience is summed

up in a few words: commerce, farmers, trust, training, the latest information technology, information dissemination and continuous product development.

Willen Selen, IT specialist, IFDC, Kenya

Willen Selen began by asking the question how does one properly use information technology and communication? For Willen, the most important is durability! First, a survey was conducted involving 41 farm fertilizer distributors. All this information was collected in a database established in Ghana. The application in question allows agricultural input dealers to make detailed reports on supplies, sales, weather, etc. Again, the language used is Kinyarwanda in order to reach a wider audience. Physical inventory data are issued on a weekly basis in addition to sales forecasts. All agrodealers also receive a report on a weekly basis which keeps them informed of purchases and sales, including returns to distributors and potential transfers.



Titus Nalinda, Research Assistant, Makerere University, Uganda

Titus chose to talk about the utility and use of mobile phones, which is the best way for him to reach out directly to smallholders. What are the tools available to farmers when normally the benefits of scientific research do not benefit them? The farmer is the primary beneficiary of the information because it allows him/her to produce more and produce better, and therefore small producers must access this information. This information should also be sent to the entire value chain for better coordination of the producer to the retailer through the transporters and processors.

The information provided is not in English but in the native language of the user (whichever one it is) to allow wider access to this technology, the information is also available in both audio-text version for the same reason. The information messages are sent twice a week and farmers can ask questions if need be and even make use of experts in specific situations

Martin Drevon, Chief of Party/ Projet PreFER, Rwanda

Martin told the audience about the "M Farms Pilot Project", which is an ICT platform to link together all the players in the value chain.

This project is currently underway in three districts of the Eastern Province of Rwanda and aims to follow the natural flow of three types of fertilizer.



Bridget Okumu, AMITSA Program Coordinator, IFDC, Kenya

"The Market Information System (MIS) is a system that collects, analyzes and disseminates information", Bridget explained. MIS is widely used to increase the transparency and trading volume in the East African Community (EAC). The objectives are to improve access to information and create links between food vendors and retailers of agricultural inputs.

The AMITSA program works with both the public and private sectors across a business network of agricultural workers in several countries (Burundi, Kenya, Malawi, Mozambique, Rwanda and Tanzania). Through this project traders can compare prices from different cities and they can know where they can order or store goods depending on the actual availability.

Workshop B – Agribusiness Incubation, an instrumental tool to unleash the potential of African agriculture and economic transformation

Moderator: Dr. Michael Makokha, Founder and CEO of Adaptive Seed Company Ltd, Kenya
Michael Makokha, moderator, began by opening Workshop B emphasizing the need to invest in innovation within the agricultural sector in Africa.

Steven Giddings, Regional Facilitator Africa, World Bank - Infodev, South Africa

The World Bank consultant gave a broad definition of the meaning of business incubation, describing it as a program designed to support the successful development of entrepreneurial companies through an array of business support resources and services, developed and orchestrated by incubator management and offered both in the incubator and through its network of contacts. Business incubation represents nowadays a tax revenue between 3 % and 4 % and is improving profits along the value chain by introducing technological innovation and better business models. It is estimated that 16 % of agricultural production in Africa ends up being wasted due to lack of refrigeration and distribution infrastructures. Therefore, it is extremely important to support business incubation so that we can create the opportunity to innovate business process engineering. Giddings concluded his speech by giving the example of UniBRAIN, a company that will create 14,000 jobs through its latest project aiming to support skilled agribusiness entrepreneurs.





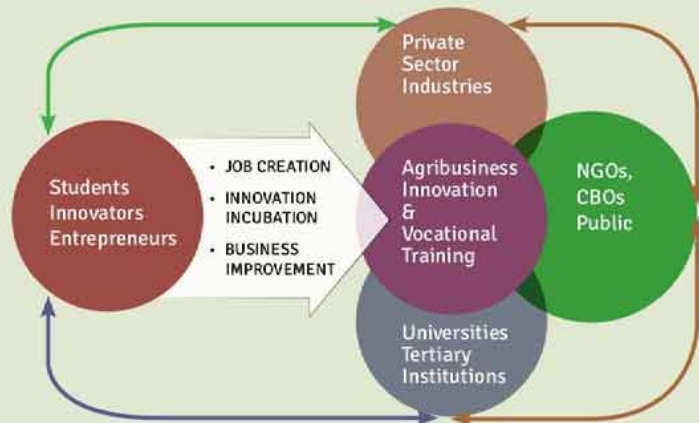
Alex Ariho, Facility Coordinator, UniBRAIN, Ghana

Alex Ariho's presentation focused on how UniBRAIN intends to boost agricultural development in Africa through business incubation. The company's business model is based on a knowledge sharing approach between universities, businesses and research centers. Therefore, one of the most important points in the presentation was the need for universities to meet technical skills required in the private sector. This is crucial for the establishment of synergies between universities, innovative research centers and business experience. This partnership is seen as the only way to bridge the gap between students, entrepreneurs, the public sector and NGOs.

This was then followed by an overview of the work that has been developed by UniBRAIN in several countries, namely Mali, Kenya, Zambia, Uganda and Ghana.

University Private Sector Forum (UPSF)

| Bridging the gap between two giants |



Ariho Alex



Henry Bwisa, Full Professor of Entrepreneurship at JKUAT and Chairman of the Investment Promotion Centre, Kenya

Henry Bwisa started by introducing some facts and figures about the agricultural sector in Africa. "Agriculture employs 65% of labor force, and owns a 32% on the GDP, however, additional efforts must be done in order to reduce the rate of uncultivated land and increase productivity".

He then went on to explain how universities face opportunities and challenges through a SWOT approach. The ideal matching would be to link key opportunities such as political stability, regional blocks and development partners with a variety of key strengths that include a pool of professionals, an adequate space and fair teaching infrastructures. This would be possible if the education sector could focus its efforts in seven core pillars: Agri-infrastructures, Technology and Innovation, Value chain analysis, market analysis, financing, PPP models and agribusiness models.

Prof. Bwisa finalized his slides by proposing radical changes on teaching methodologies, and giving the example of his own approach that consists in allocating 45% of training time to psychomotor methods such as field experiences used to increase knowledge of specific issues observed in real ventures.



Somasundaram SM. Karuppanchetty, Chief Executive Officer, ABI-ICRISAT, India

Somasundaram SM. Karuppanchetty began by setting out the vision and the mission of his institution, which are to reduce poverty, hunger, malnutrition and environmental degradation in dry-land areas by creating a prosperous agricultural sector and enabling food security. To do so, ICRISAT promotes technological development and commercialization of products related to agriculture sector. Addressing the four main pillars of ICRISAT's business incubation program, Karuppanchetty explained that technology development, consultancy, funding and mentoring were the main services provided. Karuppanchetty concluded his presentation promoting the financial sustainability of ICRISAT's business incubation program as well as addressing entrepreneurs about how to finance business incubation, pointing

out several approaches:

- Reengineering operations & optimization of existing resources
- Local Government & City development partnership
 - Public-private partnership (Professional Management Company)
 - Grant in aid from multilateral funding agency / Philanthropist
 - Corporation with equity investors from bank, government etc.

Charles Kwesiga, Executive Director, Uganda Industrial Research Institute, Uganda

The representative of the Uganda Industrial Research Institute began his presentation by summarizing some of the ideas previously addressed by his counterparts, namely, the need to reduce post-harvest losses through incrementing technology in agricultural business management. However, for this to be possible Prof Kwesiga believes that a concerted effort should be made to increase access to finance.

Regarding the linkage universities-private sector, the speaker believes that higher education institutions would largely benefit from focusing on skills development and practical approach rather than a theoretical knowledge. Therefore, the synergy research-education-business is seen as an essential step for the industrialization of Uganda.

GALA DINNER

Participants were invited to join the Gala Dinner, where traditional dancers performed. In addition, the EMRC-Rabobank Project Incubator Award winner was announced to the delight of the entire audience. This year's winner was **Jean Claude Ruzibiza, Rwanda Best Farm Ltd, Rwanda.**

Idit Miller, EMRC Vice President & Managing Director, and Pierre van Hedel, Rabobank Foundation Managing Director, were at hand to offer him the trophy and present him with the US\$15,000 cash prize.

The Executive Governor of Osun State, Nigeria, His Excellency Rauf Aregbesola, was also handed the **EMRC Agribusiness Award 2013** for his important contribution to implementing policies to further expand the state's Agri-Food sector.



DAY III - 8 October 2013 – INCLUSIVITY DAY

SESSION II: How to prepare smallholder farmers for commercial partnerships: strategies to enhance smallholder farmer incomes and market access

Moderator: Carlos Da Silva, Senior Agribusiness Economist, FAO, Italy

Carlos Da Silva briefly said that small scale farmers are the main people who produce the food used in Africa and in other developing countries. He then went on to introduce the speakers.

Wainaina Kung'u, Export Trading Company, Kenya

Wainaina Kung'u began by saying that if 80% of farmers are small scale farmers then they should be treated with respect. *"The small scale farmer doesn't produce for business but for food consumption. He sells after harvest when the prices are low and buys inputs for planting when the prices are high, thus policies should be drafted to stabilize this"* he added.

He claimed that small scale farmers have to be trained on how to plant and do record keeping but the main problem is that the average age of a farmer is 60 years and farming on average half an acre of land. Small scale farmers should aggregate their farms and government policies should be enacted so that fresh blood is brought into the agricultural sector so as to enable the small scale farmer to develop into commercial oriented farmers.



Raf Somers, Co-Manager of Seeds & Agricultural Development Program, Belgian Development Agency, Rwanda

Raf Somers emphasized that smallholders can produce more and better quality if they are well supported, citing as an example farmer field schools which offer advice and training on how to diversify products following market needs. This approach means that selected farmers become facilitators so that they create a link between farmers and the proper markets for their produce with its benefits such as linking up with reliable farmers as well as producing according to market needs. The advantages of using the farmer facilitators is that are:

- They know the farmers
- They facilitate the process of learning
- They can organize the supply chain (better and timely)
- They are trained to deal with future challenges.

| KEY MESSAGES |

- **Smallholders can produce a lot!**
 - They can produce More & Better quality if they are well supported: Example of FARMER FIELD SCHOOLS
 - Potential to diversify products following market needs
 - Many a little make a mickle!
- **Thousands of trained FFS facilitators available!**
 - Low cost experts that can be hired!
- **WIN - WIN is a reality**
 - Example from the Dairy sector in Vietnam



Marcos Le Moal, PAA Africa Project WFP-FAO, Niger

Marcos Le Moal reiterated that access to markets is crucial, however the markets are competitive and thus competitiveness for small farmers is key. There has to be creation of sustainable food production systems that are geared at reinforcing small scale farmers.

These farmers can have their agricultural productive potential increased if they can increase access to the quality of their inputs on a sustainable basis, access locally adapted technical assistance and have reinforced extension services.

Marcos closed his presentation by highlighting the importance to find out what farmers really need at the ground level to find real tangible solutions that can actually work and have a positive impact on the millions of people depending on agriculture for their livelihoods.

Rebecca Savoie, Country Director Technoserve, Tanzania

Rebecca Savoie began by saying that very many activities happen when there is partnership between small holder farmers and different providers through partnerships and linkages.

For linkages to work farmers ought to have basic management skills. With the increase in use of mobile technology, a mobile platform can be used to connect the small scale farmers to different businesses or buyers thus saving a lot of money and time. She went into the finer details of how best to ensure that farmers actually access the information and that they receive useful information. Technology has to be in the local language and easy to access and use and cost effective.



Yariv Kedar, Managing Director Sustainable Agribusiness - Amiran Kenya, Kenya

Yariv Kedar briefly talked about Amiran Kenya having been an agribusiness leader from 1963 dealing in inputs and projects in advanced farming. They set a target to promote sustainable farming through Agribusiness for small scale farmers.

Using a unique holistic approach called the Amiran Farmers Kit (AFK). The kit includes: a greenhouse, drip irrigation system, water tank, farmer's sprayer, seeds, full nursery set, fertilizers, crop protection products, personal protective equipment, training, agronomic support and insurance.

The Kit was successfully endorsed by the Government of Kenya and has been increasingly viewed as an essential tool for farmers across the region. Yariv explained that providing equipment that was adapted to farmers and their working conditions was essential. Farmers dependent on every penny and therefore technology has to adapt to their financial situation and must help them increase their outputs otherwise it is pointless.



SESSION III: Agro-industries development promotion in the East African Community: a pathway for inclusive market access

Moderator: Alhaji Jallow, FAO Representative, Uganda

Nuhu Halibu, Chief Executive Officer, Kilimo Trust E. Africa, Uganda

Nuhu Halibu started by giving a brief introduction about the East African Agro-Industry and Agro-Enterprise Development Programme (E3ADP), saying that the program focused on raising competitiveness in the agricultural sector through value-addition, market participation and industrial transformation. He noted that currently staple food commodities that are perishable and not processed are hardly traded across the borders in the EAC thus agro-processing is critical to trade based food security. The vision is an agricultural sector in the EAC partner states, which supply high-value and differentiated food, fiber, feed and other agricultural products for local, regional and international markets.

Fiona Lukwago, Assistant Director Kilimo Trust E. Africa, Uganda

Fiona Lukwago discussed the challenges of packaging that highly affect the sale of agricultural products in the EAC countries. To overcome these challenge economies of scale to meet the high minimum order quantity for packaging materials and making of durable alternative paper-based packaging especially for transportation within the region – following the recent ban on use of some plastic packaging in the EAC countries is needed. In conclusion she said that the biggest market within the food sector is staple food markets and that there is huge scope for value addition in both the regional and export markets as a basis for industrial upgrading.



Moses Marwa, Principal Agricultural Economist, EAC, Tanzania

Moses Marwa began by emphasizing that agriculture contributes significantly to the GDP of the EAC countries and that there is great need for agribusiness development in the EAC because it would lead to:

- Job creation
- Reduced post harvest losses
- Provision of food security
- Poverty alleviation
- Fostering intra-EAC trade and cooperation.

He noted that agribusiness development in the region will grow when there's involvement of all partners: government, private sector and development partners. He however said that there are numerous challenges that face the agribusiness sector in the region like inadequate supply of raw materials, poor infrastructure, low capacity utilization and high post harvest losses. Thus value chain development needs to be fostered for example through collective marketing.

Eleni Gabre-Madhin, Chief Executive Officer Eleni LLC, Kenya

Eleni Gabre-Madhin said that agriculture presents a massive growth opportunity in Africa. The commodity exchange is a reliable, efficient and transparent means to connect many buyers and sellers of storable, standardizable and divisible assets. "An exchange is transformational when there's direct and catalytic impact" she said. She explained that there are signs of improvement when there is:

- Improved quality: better quality coming to the market,
- Market transparency: empowerment of small actors, convergence of local and national price,
- Market inclusion: small actors access to national market
- Informal to formal: consolidation of small trading businesses.



SPECIAL SESSION: Rwanda Investment Opportunities in the Agri-Food Sector
Moderator: Nuhu Watibu, CEO Kilimo Trust, Rwanda

Agnes Kalibata, Minister of Agriculture and Animal Resources, Rwanda

Agnes Kalibata started by saying that agriculture contributed to over 50% of poverty reduction in the last 10 years and that the government had put forth policies that boost production such as land consolidation, use of terracing which has increased productivity on slopes and increase in the use of fertilizer. "The government intends to be a facilitator and regulator such that the private sector invests its resources" she said. "We value competitiveness among the farmers by use of zoning so that agricultural products which grow well in a particular area are emphasized." She also talked of the opportunities in the Rwandan agricultural sector that investors can invest in:

- Agricultural inputs, fertilizer: A feasibility study has been done on the gas in Lake Kivu which can compete with producers in the region.
- Seeds
- Animal feeds
- Post harvest infrastructure like storage facilities and packaging
- Floriculture
- Horticulture production for export



Claire Akamanzi, Acting CEO Rwanda Development Board, Rwanda.

Claire Akamanzi reiterated that Rwanda has a conducive climate for agriculture and for the past years the inflation rate for Rwanda has been a single digit, 4%, which is relatively low. "Starting a business takes only 6 hours which is free when done online and at a fee of 15,000Rwf when one physically comes to the RDB offices" she said. "Governance in Rwanda is very good and we were ranked 4th in Africa and this makes it very secure to do business in Rwanda."

A One-Stop-Center was launched in the RDB offices whereby all activities are in one place saving precious time.

Creating a simplified and user friendly business environment is one of the key new approaches by the Rwandese Government.

The easier it is to do business, the more business will be generated she concluded

Hannington Namara, Chief Executive Officer Private Sector Federation, Rwanda

Hannington Namara mentioned that a Rwanda Farmers' Chamber was formed which brings together farmers and other players, providing capacity building of agro-processors. "An exporter's platform was also established to create awareness on those who export. With most of the farmers being subsistence farmers, private sector intervention is still low and the same applies to agricultural inputs and services" he said. "Yes, agricultural interventions have been done by the private sector but much more needs to be done." Hannington concluded that that significant improvements have occurred but it is not enough to achieve real long lasting growth for farmers. Government and businesses must work closely with farming communities to ensure viable results.





Paul Kukubo, Chief Executive Officer East African Exchange, Rwanda

Paul Kukubo showcased the East African Exchange and explained that it was a platform for regional trade whose core business is to act as commodity value chain integrator and electronic market place. "Small scale farmers needs to be addressed in the commodity exchange" he said. Ten warehouses are to be managed by East African Exchange by the end of the year. The East African Exchange provides an essential platform which will allow the Agri-Food sector in Africa to grow at the regionally level, which according to him is critical for the continent. Regional agricultural integration is a necessity for sustainability.

Peter M. Kerkhoven, Co-founder Tierra BV, The Netherlands

Peter M Kerkhoven stated that small companies that have between one to ten million Euros worth of assets come to Africa to invest their money. "Small companies are the ones which work well since the large ones are slowly diminishing like Boeing, Volvo and AT&T. Two investment opportunities in Rwanda are in Irish potatoes since there is huge production and local varieties, the other opportunity is in floriculture" he explained. He focused his presentation on the role that SMEs play and should play in increasing agricultural outputs and the need for policy makers and leaders to understand how important it is to include SMEs into the Agri-Food equation.



The rest of the afternoon was dedicated to One-on-One Business Meetings (B2B). Over 600 meetings took place that very afternoon.



DAY IV - 9 October 2013 - FINANCE DAY

SESSION IV – Facilitating access to Finance in the agribusiness PART I: The role of commercial financing

Moderator: Arthur Levi, Member of EMRC Executive Board, Belgium

Sylvia Ngare – Finance Officer Centum, Kenya

Sylvia Ngare explained the purpose of Centum which is to create real tangible wealth by providing the channel through which investors can build effective businesses in Africa. Centum offers investors access to a diversified investment portfolio, usually inaccessible.



Agricultural production in Africa has been unfortunately largely left to small farmers and other intermediaries in the value chain. The result has been a fragmentation of the industry, a vicious cycle of low yields and low-income farmers and excessive fluctuations in commodity prices.

The conclusion is therefore clear: one must strengthen legal systems of market regulation, strengthen partnerships to unlock the true potential of African agriculture, reduce trade barriers, use the PE skills to improve the industry and reduce the corporation tax.

Ephraim Turahirwa, Chief Executive Officer, Banque Populaire du Rwanda, Rwanda

Ephraim chose to talk about the facilitation of access to finance in Agribusiness and the role of trade finance. He introduced the different sources of economic growth, namely, natural factors, human capital, physical capital and technological and institutional factors (including the need for strong institutions). He then presented the common characteristics of developing countries, particularly the poverty level. He pointed out the reasons for the imperfection of the market, which are: the lack of control of trade, the exchange risk and solvency of different countries. The aggregation of customers can also facilitate the development of risk management services.





Ami Lustig, President & CEO – LR Group, Israel

Ami Lustig, CEO of LR Group began by giving a brief overview of LR Group: "We are a leading international project development company active since 1985. We are based in Israel, with more than 2,000 employees worldwide."

He highlighted that the global challenge of security is both an opportunity and a necessity. "The agricultural sector is highly vulnerable to price volatility, which often leads to structural instability." He strongly emphasized the importance of small producers and small farmers that can be part (in their own way/level) of much more important projects.

Ami Lustig concluded his presentation by giving several examples of the achievements of LR Group in Gabon and Chad, agri-villages in Nigeria and dairy projects in Uganda.



Eric Kaleja, Resident Representative – KfW/DEG, Kenya

DEG is a subsidiary of the German KfW Group and is mainly active in the public sector. It holds a portfolio of some €6 billion and is a member of European development financial institutions.

The main challenge according to Eric Kaleja is to expand the possibilities of food processing for the local market and the export market and implement high quality standards. Two solutions are proposed to overcome this problem; long-term loans that allow a quality of investment in P&E, and new machinery to increase production and produce concentrates (for export). DEG intervenes at the level of the loan and provides technical assistance to improve the supply chain with small local farmers and technical assistance for financial management farmers.

He concluded by saying that DEG's agricultural financing addressed the entire value chain and also presented various aspects of the financing of Agri-Food sector such as agricultural risk, production conditions, the natural production process, know-how, the volatility of market prices and finally the compliance with international environmental and social standards.





Daniel Muhimuzi, Country Manager, Oikocredit, Kenya

Daniel Muhimuzi began his presentation by presenting, according to him, the biggest challenge: obtaining financing. Of Rwandan nationality, he explained that he himself had sought funding from Oikocredit but seeing that Oikocredit was not active in the country, he proposed the establishment of a subsidiary in Rwanda which is now up and running! Their mission is 'simple': strengthening disadvantaged people in offering them lines of credit. Oikocredit is present on all continents and the offices for the EAC are based in Nairobi and Abidjan for West Africa with some 859 partners (589 in Microfinance) in more than 70 countries. Until today Oikocredit is active mainly in South America but now the group is looking to work more with Africa.

Most of Oikocredit's clients are microfinance institutions, agriculture represents only the second in portfolio turnover, but there are many financial products for agricultural projects. In conclusion, he recalled the major constraints in terms of growth are know-how, lack of reliable/complete information, lack of viable projects and finally the competition. The procedure to remedy these deficiencies is simple: enhance the seriousness of audits and feasibility studies and develop/strengthen partnerships.

The Way Forward

- Improve due diligence and monitoring
 - Trade finance - closely monitor the flow of goods and money
 - Develop in-house knowledge about key agricultural commodities and prices
 - Provide Capacity Building to weaker partners
- Develop Partnerships
 - Guarantee Programs (USAID, ICCO, Church of Sweden, African Guarantee Fund)
 - Capacity Building (Agriterria, Rabobank Foundation)



Part II: Public and donors finance, how to make it successful; increasing investment in Agriculture and agro-industry

Moderator: Arthur Levi, Member of EMRC Executive Board, Belgium



Pichette Kampeta Sayinzoga, Permanent Secretary, Ministry of Finance and Economic Planning, Rwanda

Pichette Kampeta started her presentation by stating that the government must be able to give people the right not to be hungry. The Agri sector is under-funded, but that does not necessarily mean more money means more results. *"We must first know how to speak to donors and explain that funding must be strategic. Today they were quite flexible and reduced transaction costs with the government."*

Another important question is whether the funds should go to the private sector or the public sector. According to Pichette the funds must be given to civil society and not necessarily to NGOs because 'assistance' is not conducive to sustainable economic growth. *"We have already succeeded in the past to reduce poverty by 12% according to a plan drawn up in collaboration with various partners, it only needs 10% discount to satisfy the requests of the international community. We also came to food security in a few years and all this shows that when the government wants to it can really make a difference!"*, she noted.

Negatu Makonnen, Country Representative, AfDB, Rwanda

Negatu Makonnen began his presentation by highlighting the potential challenges of agriculture and pointed out that 70% of the labor force in Africa is employed in agriculture. The biggest challenge according to him is the huge investment needs that represent the sector.

During the year 2012 more than US\$700 million has been invested in direct funding. The AfDB has to align its activities with the plans and priorities of the countries in which it operates. Negatu Makonnen then presented priorities for agriculture: inclusive growth, green growth and a significant private sector development. In conclusion, he stated that the role of regional and national financial institutions must be strengthened to promote an efficient and effective partnership and finally, explore innovative financial mechanisms.





Nuria de Oca, Global Indicators and Analysis Financial and Private Sector Development, World Bank, USA

Nuria de Oca began her presentation by clearly defining the main objectives of the World Bank:

- Produce and disseminate reliable data and indicators as knowledge essential key.
- Inform the financial sector, strengthening the private sector, supporting policy dialogue and catalyze action and research.

Nuria then delivered a comparative analysis of the future of agribusiness (Benchmarking the Business of Agriculture, BBA), where she stressed the rising food prices and growing urban demand that made food security and agriculture development priorities. Some areas of the law have a critical impact on the productivity of the agricultural industry on a small scale. The rules and regulations that impact large-scale enterprises can also significantly affect the profitability of small and medium farms.

M. Kalyanasundaram, Chief Executive, DHAN International, India

Kalyanasundaram presented the essential mission of DHAN International: strengthening people and institutions by developing innovations to enable poor communities to reduce poverty and achieve self-sufficiency.

He then defined groups seeking to have access to funding (Target Groups for Enabling Access to finance): This group is characterized by poverty, low income, lack of access to financial services, women, agricultural workers, small farmers.

He then presented various existing approaches to facilitate access to finance: Encourage an individual approach rather than a group approach, organizing support groups and networking with associations, rural cooperatives and cooperative apex, organize societies of producers in the agricultural sector, create additional institutional framework, install a conventional banking system, promote the advancement of alternative financial institutions and finally, connect the flow of alternative financing to traditional banking systems. In a few points he equally highlighted how DHAN facilitates access to finance. Finally he explained the various innovations to improve access to finance.



Announcement of the 2014 edition of the "EMRC Africa Finance & Investment Forum"

Eric Kaleja, Resident Representative – KfW/DEG, Kenya and Idit Miller, EMRC Vice President and Managing Director Idit Miller announced that next year's EMRC flagship European-based event, the **Africa Finance & Investment Forum (AFIF)**, will be taking place in Cologne, Germany with KfW/DEG as official hosts and partners. The forum is entitled 'Access to Finance / Financing Business Opportunities' (4-5 June 2014). A pre-Forum Executive Training (2-3 June 2014) will also be taking place.

AFIF is an international event that targets policymakers, financiers, bankers and private sector entrepreneurs interested in financing for projects and partnerships in Africa. AFIF is a place where African entrepreneurs can network with financiers who seek new investment opportunities in Africa.

Eric Kaleja proceeded to explain to the audience the concept of the forum, which will focus on financing/banking and investment strategies for African businesses.



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