MESSAGE FROM THE FUND

This issue of Innovate & Include provides updates from activities in West Africa, where the first West African focused participant learning event was held. The Fund team also attended the Africa Green Revolution Forum (AGRF2019). A key highlight was the opportunity in these engagements for Fund participants to meet and interact with Reeta Roy, Mastercard Foundation President and CEO.

Also in this issue, the Fund shares some impact highlights, and updates on site visits to Mali and Sierra Leone, just two of the countries visited in this period.

FUND PROGRESS AND IMPACT

When it started in 2014, the Fund set out with an objective of reaching one million financially excluded people in Sub-Saharan Africa by 2021. The project is now in its fifth year of implementation and all indications are that it has exceeded this target, with potential to reach even more people.

To date, the Fund has awarded/committed over US$42 million to its portfolio of 38 participating companies operating across 15 countries in Africa (Burkina Faso, Burundi, Côte d’Ivoire, Democratic Republic of Congo, Ethiopia, Ghana, Kenya, Malawi, Mali, Mozambique, Rwanda, Sierra Leone, Tanzania, Uganda, and Zambia).

Click here to read more on the Fund’s impact.

*Please note all figures stated are based on self-reported data by participant projects*
**PARTICIPANTS ENGAGE REETA ROY.**

Before the official start of the Fund learning and networking event held in Accra, Ghana on 3 September 2019, participants had a welcome opportunity to meet Reeta Roy, President and CEO of Mastercard Foundation. During the early morning breakfast session, Reeta met participants individually, and heard about their experiences in driving financial access in Sub-Saharan Africa.

Reeta interacting with Ada Brandolani, Prosema.

In addition to hearing all about project progress, Reeta was keen to hear participant views on:

- How to bring more young entrepreneurs into the agricultural sector,
- The biggest opportunity for job creation in the sector,
- Building resilience in the agricultural sector.

Responses from participants and Fund partners were well received, and provided insights for Reeta to take onward into meetings and discussions.

Reeta interacting with Ada Brandolani, Prosema.

Anne Muthoni Maina, Inuka Africa during the event.

“In so many ways, you are at the forefront of the transformation of what needs to happen in the agriculture sector, and what needs to happen to benefit lives of communities and lives of smallholder farmers. More than anything else, we have been privileged to accompany and support many of your ideas”, Reeta Roy, President and CEO, Mastercard Foundation.

Reeta rounded off the engagement with a short message to the participants, thanking them for their contribution towards delivering financial inclusion in Sub-Saharan Africa, and promising them of the Foundation’s continued support.

To read and view more about this event, click here.

**THE OPPORTUNITY TO LEARN AND NETWORK.**

This participant learning workshop began with an informal get-together for participants, invited guests and team members on the evening of 2 September 2019 in Accra, Ghana. This kick-started one to one conversations around common areas of interest and explored the potential for business collaborations.

Fund participants and team members networking.

The formal learning event started on 3 September 2019. In the full day workshop, participants attended multiple learning sessions, and contributed to various panel discussions facilitated by the Fund and its partners.

The workshop agenda was deliberately designed to harness the knowledge and insights of the participants present, taking into account their different business models and approaches to problem solving and achieving impact.

Key sessions of the learning event are highlighted below:

**Overview of the Fund Progress**

IPE Triple line Consulting presented an overview of the portfolio and what was being achieved, noting the Fund had to date committed $42 million to 38 projects operating in 15 different countries. It was also noted that the Fund had surpassed its one million customer reach target, and product launch targets – with over 70...

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products and services launched with Fund support by the end of 2018. For more on Fund impact, click here.

**Discussing the balance between outreach and farmer impact**

Boniface Muthusi, Juhudi Kilimo, makes a point about the need for a win-win business case to create farmer impact but also shareholder value.

This panel session was moderated by Wambui Chege, KPMG. The three contributing panellists were Gabrielle Roseneu, from Ibero Uganda, Boniface Muthusi, from Juhudi Kilimo and Emmanuel Yawson from Biopartenaire.

The key takeaways of this interactive session were that institutions do care about farmer impact, and balance this with the need to drive revenues and increase shareholder value. Panellists also noted that there is need to establish a business case both at the institutional level and at the farmer level. An interesting point was made that in order to strike the balance between impact and outreach, the right partnerships need to be formed.

**Making the business case for serving the smallholder market segment**

Dr. Juliet Ongwae, Musoni Microfinance contributes to the discussion.

This session was moderated by Katherine Rickard, Nathan Associates. The panellists were Juliet Ongwae, Musoni Microfinance Limited, Benjamin Njenga, Apollo Agriculture and Michael Malan, representing Compuscan.

Key insights from the session included the need to understand business risks at an early stage, getting the right partners involved while remaining focused on core business, tapping into technology to introduce efficiencies and scale, and having buy-in from stakeholders in the business, who need an appetite for failure along the way.

**Exploring indirect pathways from financial inclusion to job creation.**

This discussion centred around exploring initial ideas for a learning paper that the Fund is working on around the indirect pathways from Financial Inclusion to the creation of livelihood opportunities. Participants views and insights into the topic was captured to support the crafting of the learning paper due for release before the end of 2019.

**A Fireside chat with Jon Ridley of M-KOPA Labs.**

The final session of the day was moderated by David Crush, Mastercard Foundation, and explored strategies that M-Kopa is implementing to increase scale and drive uptake of products to the target group of rural customers.

To view more on this learning event click here.
THE FUND AT AGRF 2019!

The Fund participated in the ninth annual African Green Revolution Forum (AGRF) with the objective of creating awareness of the Fund portfolio and sharing its impact and learnings so far on the journey to improve financial inclusion in Sub-Saharan Africa.

The Forum took place at the Accra International Conference Centre on 3-6 September 2019, hosting over two thousand delegates from nearly 90 countries. The theme of the event was GROW DIGITAL: Leveraging Digital Transformation to Drive Sustainable Food Systems in Africa.

The Fund participated in the Forum in a number of ways, including sponsoring and participating in a panel discussion around smallholder financing, supporting some of its participants to attend, and taking up exhibition booth space for 2 fund participants to exhibit and network.

Fund participation in AGRF2019 panel discussion

The Fund sponsored and participated in an engaging session on 4 September 2019, under the theme ‘Making Digital Smallholder Finance Attractive to Private Investors’. Leesa Shrader, AgriFin Accelerate Director, MercyCorps moderated the panel discussion. There were 6 panelists; Diane Karusisi, CEO, Bank of Kigali, Marianne Schoemaker, CEO Rabo Partnerships, Rabobank Netherlands, Kamal Yukub, CEO, Trotro Tractors Ghana, Milton Lore, Team Leader, Mastercard Foundation Fund for Rural Prosperity, with Fund participants; Alloysius Attah, Co-Founder and CEO, Farmerline, and Elorm Allavi, Co-Founder/CEO, Syecomp Ghana.

Milton Lore highlighted key achievements of the Fund through its commitment of $42 million to 38 companies in Sub-Saharan Africa, several of which are now attracting further funding support. He noted that many of the private sector businesses supported are leveraging technology platforms and digital financial services as they work with farmers.

Participants exhibit at AGRF2019

In addition to sponsoring a panel discussion, the Fund also commissioned an exhibition space area to be used by two of its Ghanaian based participants, Farmerline and Syecomp. This exhibition area was suitably located along pathways to various meeting and conference rooms and allowed both participants to put up and share their marketing collateral. In addition, the two participants run video content and presentations that attracted further interest to the booth.

Farmerline showcased its digital credit and information service that are helping rural farmers in Ghana gain access to high quality inputs, financial literacy and improved agricultural practices.

Syecomp showcased its MFarmPay service that leverages on remote sensing satellite data, demographic data, environmental data, farm data and analytics capabilities to generate alternative credit assessments of farmers in Ghana.
Over the three day period, both participants received a lot of interest and engagement from delegates visiting the booth. This engagement points to potential outcomes in the form of B2B partnerships, knowledge sharing, or even future investment. In addition, the Fund itself created awareness of its overall focus and impact results to date, and established new contact relationships, potentially able to support the Fund initiatives or its participants in future.

To read more about the Fund at AGRF2019, click here

VISITING MALI AND SIERRA LEONE

EASY SOLAR, SIERRA LEONE

Fund Project Manager, Grace Njoroge and Grants Associate, Martha Ouma visited Easy Solar, a Fund supported project in September. The objective of the visit was to assess high level project progress.

Easy Solar is making solar related products accessible and affordable to remote and low-income households and micro-enterprises through a tiered PAYGO (Pay As You Go) financing solution, backed by credit scoring and based on customer data to make its products accessible to rural customers.

On the first day, the team visited the Easy Solar head office in Freetown to get an overview on the project, its achievements to date and to identify any quick wins made. Key to note is that the company is serving around 30,000 customers in Sierra Leone to date. It has 16 shops around the country and over 120 agents who help sell the products. The agents are sourced from the communities making it easy for them to sell to customers and maintain relationships with them. Products range from basic lanterns to solar home systems complete with radios, television sets and phone charging ports.

On the second day of the visit, the Fund team visited agents and customers in Waterloo and Port Loko districts, which are located in the Western area of Sierra Leone. Here, customers expressed satisfaction with Easy Solar’s products, and mentioned the benefits of using these over competitor products and alternatives such as kerosene. The customers were also interested in using more products - even asking for some that are not in the company’s current product range.

Grace Njoroge, Project Manager, Mastercard Foundation Fund for Rural Prosperity.

VISITING BAOBAB+ MALI

Fund Project Manager, Simon Kimura, Monitoring and Evaluation Associate, Emily Mbiriti and Finance Manager, Joseph Ondiek, along with Maeva Amager of IPETripleLine, visited Baobab+ in Mali to assess its progress to date.

Baobab+ Mali is offering a first leasing experience for solar energy products that is based on energy savings realized through PAYGO financing to customers, and the visiting team conducted interviews with farmers using these solar energy products.

A BAOBAB+ BENEFICIARY PERSPECTIVE

Marian Keita is a farmer who cultivates peanuts, and who has been a Baobab+ client for 5 months. She first heard about the Baobab+ PAYGO solution on radio after which field agents reached out to her.

Previously, Marian used a small solar panel powering one light bulb which she bought on credit through an association of women producing shea butter and would pay an amount for it every two weeks. Through the flexible payment model offered by Baobab+, Marian can now pay for her Solar Panel on credit via mobile money. Her children can study better at night and she is happy about the flexible solution which she promotes to others.
VISITING PROSEMA, MALI

The team visiting Baobab+ also went on to Prosema in Mali to assess its progress to date.

Prosema, in collaboration with AUXFIN International works with smallholder farmers in cooperatives, to improve the sesame value chain by providing digital agronomic training and coaching, warehousing, savings and credit financial products.

The team had an opportunity to engage with the farmers who shared their experiences with Prosema - sharing insights into how the project has improved their yields and enabled them to have access to credit.

The Fund team also had an opportunity to attend a group training that was attended by 14 Prosema agents and 35 representatives from 4 co-operatives. Training received was on agricultural techniques and inputs on credit. Smallholder farmers have experienced increased yields per hectare as a result of trainings and inputs on credit, and thereby earning more revenues. Prosema provides a ready market and higher than competitor prices for Sesame.

Simon kimura, Project Manager, Mastercard Foundation Fund for Rural Prosperity.

SOME FUND PARTICIPANTS IN THE NEWS:


NKG Bloom has been mentioned in articles around scaling up working with smallholder farmers as initiated under the Ibero Uganda Fund supported project. ABN AMRO, Rabobank and BNP Paribas team up to support smallholder coffee farmers. Read More and link it to: https://www.abnamro.com/en/newsroom/press-releases/2019/abn-amro-rabobank-and-bnp-paribas-team-up-to-support-smallholder-coffee-farmers.html

Thomas Njeru, Co-Founder of Pula Advisors has been mentioned in a New York Times article as part of the publication’s ‘Visionaries’ series, telling the stories of people around the world who are “pushing the boundaries of their fields”. Read more and link to; https://www.nytimes.com/2019/10/03/business/microinsurance-africa-thomas-njeru.html

Twiga Foods has been featured in a Telegraph piece: [The Telegraph] Farming in Africa: the digital revolution that is set to transform agriculture. Read more and link to; https://www.telegraph.co.uk/global-health/climate-and-people/farming-africa-digital-revolution-set-transform-agriculture/

Dodore, FutureLink Technologies and Apollo Agriculture received recognition from their achievements in delivering products and services to SMEs. Read more; link: https://www.smefinanceforum.org/awards-2019

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