



AGRF 2021 SUMMIT

Pathways to recovery and resilient food systems



AGRA

Growing Africa's Agriculture

The African Agribusiness Dealroom at the AGRF 2021 REPORT




AGRF Partners



Agribusiness Deal Room Partners



The Agribusiness Dealroom is supported by the World Economic Forum



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Contents

About the African Agribusiness Dealroom	4
Message from Dr. Kalibata, President of AGRA	6
Message from Jennifer Baarn, Acting Manager AGRF	7
Message from our co-Chairs	8
Acknowledgement of Our Partners	10
1. A snapshot of the 2021 Agribusiness Dealroom	11
2. SMEs in the Agribusiness Dealroom	13
2.1 SME preparation	14
2.2 Investor mobilization and preparation	15
2.3 Matchmaking overview	16
2.4 Sample SMEs at the Dealroom	17
2.5 Next steps at the year-round Dealroom	18
3. Government engagement overview	19
3.1 Government pitches	20
3.2 Case studies of select government experiences	21
3.3 Next steps at the year-round Dealroom	22
4. Sourcing in Africa	22
4.1 Poultry Value Chain	23
4.2 Rice Value Chain	24
5. Advancing inclusive investments to women and youth	25
5.1 Game changing solutions to capitalize women's agri enterprises	27
5.2 Live pitching at the Dealroom	28
6. Dialogue driven enabling environment	29
6.1 Pathways to attracting impactful investments in Uganda	29
6.2 Innovative agricultural SME finance models	29
7. Virtual convening space	31
7.1 A vibrant virtual marketplace	31
7.2 Next steps at the year-round Dealroom	32
8. The 2021-2022 year-round Agribusiness Dealroom	33
9. Annexes	34
9.1 Agribusiness Dealroom partners delivery team	34
9.2 Agribusiness Dealroom 2021 Session Material	35
9.3 How to Partner	35
9.4 About AGRF	35
9.5 About AGRA	35
9.6 AGRA's unique agriculture alliance	35

About the African Agribusiness Dealroom

The African Agribusiness Dealroom is a year-round matchmaking platform at the African Green Revolution Forum (AGRF) with the aim of catalyzing new business deals, partnerships and commitments. It hosts agribusinesses on the continent, providing an investable pipeline to a wide range of investors. In addition to access to finance, it also provides companies in the agriculture and agribusiness sectors with mentorship, partnership and market entry solutions to support their growth objectives. The African Agribusiness Dealroom also positions governments to present investment opportunities, promote investment incentives and engage with interested investors and other stakeholders. The African Agribusiness Dealroom supports enterprises and governments through a combination of in-country project preparation, pipeline development, project bankability, investment promotion, and an enabling policy environment. The African Agribusiness Dealroom facilitates substantive transaction-centered dialogue and connections amongst key stakeholders including enterprises, farmers, governments, investors, financial institutions, NGOs, and development partners.

Achieving new business deals and commitments through the African Agribusiness Dealroom

To achieve new business deals and commitments, the African Agribusiness Dealroom delivers through year-round activities across four strategic objectives:



Investment mobilization – Bridging the US\$100 billion financing gap in African agriculture by mobilizing a wide range of investment facilities, as well as linking them to high potential SMEs and government flagship programs.



Sourcing in Africa – Expanding African markets and strengthening agricultural supply chains through inclusive partnerships and platforms.



Enabling environment – Promoting an enabling environment for investment through research, advocacy and policy recommendations.



Ecosystem coordination – Driving a concerted and coherent effort towards the allocation of institutional resources through a platform of ecosystem partners.

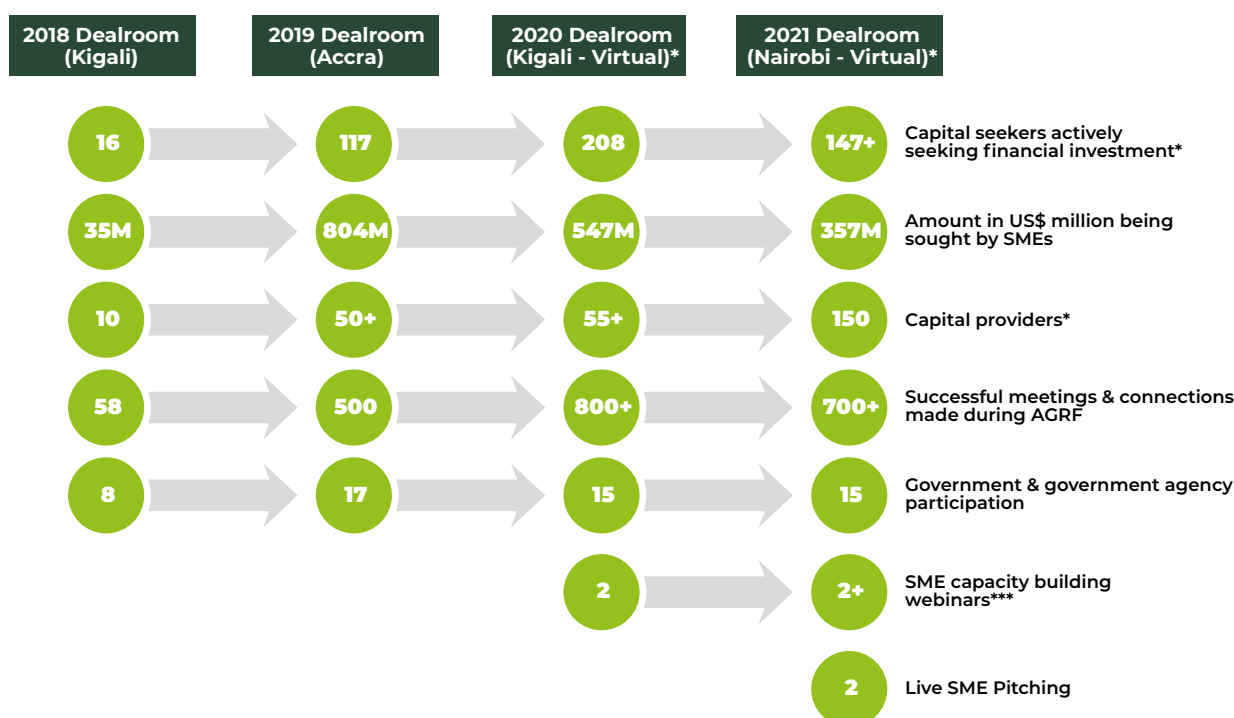
In its fourth year, the Dealroom hosted its highest ever delegation of 4,500 participants, all of whom were intentional about engaging in the business opportunities that abound in Africa's agriculture sector. **The Dealroom community represented the breadth of the sector and included:**

- **Over 800 SMEs** looking for investments and partnerships
- **Over 150 capital providers** looking for investment opportunities on the continent
- **420 system enablers** offering development assistance, technical assistance and advisory support to SMEs and governments
- **204 government representatives** promoting public investment projects to domestic and foreign investors
- **81 business partners** looking for lateral and vertical partnerships to strengthen their supply chains

The virtual African Agribusiness Dealroom platform provided a highly interactive digital space that allowed the various actors to interact, engage and extend discussions on bi-lateral and multi-lateral partnerships. The platform hosted over 700 meetings on its virtual platform and has secured its position as a prime convener for investments and opportunities.

The virtual African Agribusiness Dealroom platform provided a highly interactive digital space that allowed the various actors to interact, engage and extend discussions on bi-lateral and multi-lateral partnerships. The platform hosted over 700 meetings on its virtual platform and has secured its position as a prime convener for investments and opportunities.

The African Agribusiness Dealroom continues to build off the success and lessons learned year on year to expand and offer more support to SMEs and governments



What happens year-round at the Dealroom?

- SME Matchmaking:** Meetings between SMEs and investors seeking a wide range of capital needs (from US\$50k to US\$50m).
- Country Presentations:** Presentation of investment and partnership opportunities by governments.
- Sourcing in Africa:** A platform for enterprises and farmer organizations to connect with anchor buyers and traders.
- Knowledge Program:** Expert presentations and panels, knowledge sharing sessions and pitches.
- Enabling Environment and Investment Dialogues:** Public-private sector problem-solving sessions to address bottlenecks for selected deals.
- Coalition of the committed:** Networking with partners across the continent's agriculture landscape.



Investor attraction is driven by two things; the time required to set up and start operations, and cost of doing business in a country. At the Rwanda Development Board, we are creating an enabling environment for investors through policy reform, process automation, technology and infrastructure investments that nurture public-private partnerships. We are honored to host the Agribusiness Deal Room, an innovative platform through which Rwanda can promote investment opportunities in agriculture.”

Zephania Niyonkuru,
Deputy CEO, Rwanda Development Board

Message from Dr. Kalibata, President of AGRA

2021 represents a momentous year for Agriculture. Not only are we challenging ourselves to accelerate progress in the last decade of action, it is also the year when the world gathered to reflect on our food systems and the need to transform them for a better future.

Significantly, it is also more than a year since the world was hit by the COVID-19 shock that affected food supply chains, heavily impacting the businesses and smallholder farmers that operate in the sector. The impetus is upon all of us to challenge the status quo, and to take bold actions in transforming food production systems, our food supply systems as well as food consumption systems. Achieving this requires a collaborative and coordinated global system that leverages on our inter-connectedness while ensuring that inclusivity and sustainability remain at the center of our actions.

Agri-finance is at the core of food systems transformation, and the African Agribusiness Dealroom was designed as an inclusive eco-system that facilitates connections amongst critical actors, especially investors and other financiers to agri-SMEs and African governments.

Now in its fourth year, it is my pleasure to report that the African Agribusiness Dealroom continues to deliver and is on track to achieving its goals. We are pleased by the ever-increasing interest in the African Agribusiness Dealroom and the support that our partners are providing to its sustenance as a match-making platform driving new business deals and commitments.

Hosted by the Annual Green Revolution Forum (AGRF), the 2021 Dealroom brought together 4,500 delegates from 90 countries across the globe, representing SMEs, governments, investors and financial institutions, business support service providers and development partners. The SMEs and governments at the Dealroom presented investment opportunities with high potential and collectively sought an aggregated US\$5.5 billion investment. This unique convening continues to bring together other actors operating in the African agricultural landscape that are not only looking for finance, but business-to-business partnerships through the Sourcing in Africa Platform, knowledge building and advocacy for an enabling environment through the investor dialogue and knowledge sessions.

As AGRA, we are keen to see further exploration of trade deals and partnership opportunities that enhance sourcing from African smallholder farmers. We know that when farmers have markets, they have an incentive to produce more and better; not only the volumes but also the quality required by the private sector and the market at large. We also urge our governments to capitalize on the global momentum and to strengthen the environment that enables and fosters inclusive transformation at the level of the farmers, SMEs, and government.



Agnes Kalibata
President, AGRA



Message from Jennifer Baarn, Acting Manager, AGRF

This is an opportune time to transform our food systems, and we must do it with great intention and unwavering commitment. We must also do our part as individuals, and together as a continent if we are to achieve our aspirations in the growth of the agriculture sector.

The eleventh Annual Green Revolution Forum (AGRF), aptly themed “Pathways to recovery and resilient food systems”, was our collective commitment to the pathways and actions required to accelerate progress and steer the continent towards food systems that not only deliver sufficient and nutritious food while protecting the environment, but also create sustainable dignified jobs, and shared prosperity for Africa. Recognizing that any lasting action must have a global vision with a national mission, the AGRF brought together over 8,300 delegates who placed a strong call to reflect upon and change the way food is produced, marketed, and consumed. The call, taken up by six African presidents that attended the AGRF, has guided the African Common Position document outlining the continent’s urgent priorities and commitments to action.

We are delighted to see these commitments cascade to the ten thematic platforms of the AGRF. Specifically, the African Agribusiness Dealroom committed to inclusive and sustainable investments anchored in strong partnerships.

Jennifer Baarn
Acting Manager, AGRF



Message from our co-Chairs

USAID appreciates the opportunity for continued engagement in the African Agribusiness Dealroom, as a way to engage local partners in locally led development. Promoting inclusive, sustainable, and resilient investments into Africa's agricultural sector is essential to drive recovery from COVID-19, strengthen food systems that deliver safe and nutritious foods, and generate resilient and transformative growth across economies. The Dealroom is an important forum for delivering locally led growth, especially for small- and medium-sized enterprises (SMEs). We are glad this year's Dealroom attracted lenders that offered smaller loan sizes, responding to SME needs, and connected SMEs with resources beyond capital, such as technical assistance programs. We are encouraged by the role the Dealroom serves in elevating women and young people's voices and contributing to an inclusive and equitable business environment through initiatives like VALUE4HER. Importantly, the Dealroom also facilitates policy dialogues between governments, investors, and SMEs that are essential to address the many barriers to finance. New this year, the Dealroom provided USAID and our Feed the Future Innovation Labs a venue to showcase new technologies to a key African audience, including potential investors who may help scale these products. USAID is optimistic about the Dealroom's potential and we look forward to continued engagement with partners through year-round activities.



Jim Barnhart,

Assistant to the Administrator - Bureau for Resilience and Food Security and Deputy Coordinator - Feed the Future, U.S. Agency for International Development (USAID)

It has been and continues to be a great pleasure for IFAD to co-chair the Dealroom together with AGRA and USAID. Climate change and COVID-19 have severely impacted Africa – a continent already home to more than 70 per cent of global poverty. There is an urgent need to transform food systems so they promote better rural livelihoods and secure nutritious food for people worldwide and help to address the growing threat of climate change in the continent.

At IFAD, we believe that promoting agribusinesses in Africa should be at the core of that transformation. Africa's small and medium sized agribusinesses and agri-entrepreneurs have huge potential to feed Africa's hungry, employ Africa's youth, and contribute to stronger and more inclusive and equitable economies. But to survive this crisis and build back better, agribusinesses will need working capital and investment resources. At IFAD we look forward to partnering with Dealroom and its partners to make this happen.

Importantly, for IFAD it is crucial for platforms such as the Dealroom to yield results not only in terms of the volumes of finance or deals facilitated, but also to make efforts to include small scale entrepreneurs, who have so much untapped potential but who require targeted support. The Dealroom offers a space to develop new partnerships for investments that are effective, impactful, sustainable, and inclusive. We believe that the relationships formed here will help agribusiness deliver on its promise to transform Africa – economically, environmentally, and socially. IFAD is pleased to co-chair the Dealroom and continue a strong partnership with the AGRF



Dr. Donal Brown,

Associate Vice President, IFAD

he global food industry has gained unprecedented momentum this year, highlighting two critical issues; first is that at both individual and systems level, we are more interdependent than ever before and thus, must forge strong mutual partnerships for shared posterity; second, all our actions need to happen with urgency in this last decade of action. Africa's role and contribution to the food industry is significant, with expansion growth projections indicating that it could grow to a US\$1 trillion industry in less than nine years. However, to realize and unlock this potential we must bridge the \$45 billion annual financing gap that the sector faces, whilst increasing our local food supply to capitalize the \$42 billion food import market that Africa offers. At the African Agribusiness Dealroom, we convene and mobilize a broad set of players onto a centralized platform driving financial investments, capacity strengthening investments, partnership building for strengthened supply chain integration and increased local sourcing, and policy investments through advocacy. These players, including hundreds of agri-SMEs, governments, and investors, share a common vision that Africa is the destination for all agriculture investments. We are excited at the opportunity to continue driving this work as the Dealroom enters its fifth year, and we at AGRA remain committed to supporting inclusive and sustainable investments that catalyze impact across the entire sector.



Vanessa Adams,

Vice-president Strategic Partnerships, AGRA

Acknowledgement of Our Partners

The African Agribusiness Dealroom is delivered under one of the 10 thematic platforms of the African Green Revolution Forum. It is co-chaired by USAID, IFAD and AGRA who lead a coalition of twenty committed partners.

The African Agribusiness Dealroom wishes to thank our host, the Government of Kenya for anchoring the African Agribusiness Dealroom at the virtual AGRF 2021. We also recognize our core partners who contributed immensely to the success of the Dealroom.

Hosts



Co-Chairs



The Agribusiness Dealroom is supported by the World Economic Forum



1

A snapshot of the 2021 Agribusiness Dealroom

The African Agribusiness Dealroom responded positively to the call by its stakeholders to evolve into a year-round platform. Under this arrangement, investment matchmaking, partnership opportunities and investment dialogues are facilitated throughout the year at national levels culminating at the AGRF regional summit.

Dealroom year-round activities:



The year-round activities culminated at the 2021 AGRF Summit, where the Dealroom attracted 4,500 delegates from 90 countries across the globe. Participants included 829 SMEs, 204 government representatives, 420 ecosystem enablers and over 150 capital providers. Capital providers included institutional investors, impact investors, venture funds, development finance institutions and conventional financial institutions. The Dealroom also saw a strong representation of 81 business partners including multi-nationals and retailers looking to source from and partner with African SMEs and business development partners seeking trade deals and service arrangements with SMEs.

The theme at the 2021 Dealroom was “investing in resilient and sustainable food systems” and the platform hosted 16 knowledge sessions focused on:



Strengthening public-private partnership investments



Building the SME enabling systems and increasing domestic investments



Increasing local sourcing in Africa



Investing in climate action and harnessing the energy-agriculture nexus



Investing in women including live pitches by SMEs

The platform also provided for stakeholder interactions through over 700 bi-lateral and multi-lateral meetings to discuss investments and institutional partnerships, African governments also presented national investment opportunities and shared their commitments to facilitate a positive investor climate. Investment opportunities at the Dealroom represented over of US\$5.5 billion of capital needs.

Participants at the African Agribusiness Dealroom:



Key commitments & announcements

The African Agribusiness Dealroom reflected the ongoing efforts by various partners throughout the year that culminated in major sector announcements of new initiatives, investments as well as renewed and expanded successful partnerships.



The African Development Bank announced the Financing Facility for Food and Nutrition in Africa to which they committed to mobilizing US\$1 billion in the next two years and up to US\$10 billion by 2030 from bilateral donors, green funds, and philanthropic organizations.



IFAD committed to increasing investment into the private sector through its US\$200 million Private Sector Financing Programme (PSFP).



Aqua-Spark Africa announced that will initially raise US\$50million and will grow that to US\$300 million over the next 6-8 years, with a focus on building aquaculture infrastructure across the continent.

The commitments of over US\$ 10 billion over the next 9 years are centered on increasing supply, unlocking more finance into the sector and strengthening the demand side through capacity transfer programs for public and private organizations.



Africa will only truly transform when its growth story stops being Africa Rising and becomes Africans Rising."

William Asiko, Managing Director Africa, Rockefeller Foundation



2

SMEs in the African Agribusiness Dealroom

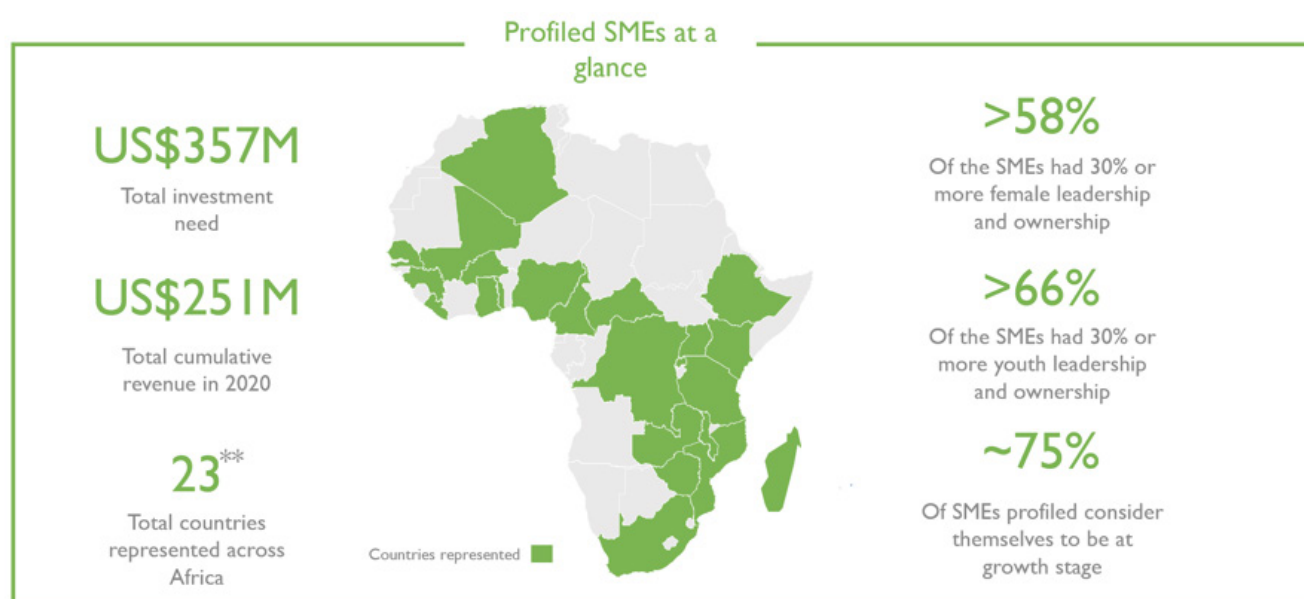
Through an extensive outreach process, over 2,000 SMEs drawn from internal resources and networks, as well as connections through AGRA partners were invited to the 2021 Dealroom. The outreach attracted 829 SMEs with operations across the continent representing all regions. The SMEs at the Dealroom pursued a variety of opportunities including investments, mentorship, partnerships and connections to other value chain actors, capacity building and knowledge awareness.

To ensure quality and dedicated support to the SMEs looking for investment, the Dealroom adopted a cohort approach for matchmaking activities throughout the year.

The first cohort of SMEs included 127 companies from across 23 countries on the continent, with Nigeria (24), Kenya (21), Ghana (19), and Uganda (12) accounting for the highest number of profiles.

The SMEs had an aggregate fundraising need of US\$356.8m with an average of US\$2.8m. Of these, 4% sought amounts less than US\$50k, 39% between US\$50k and US\$500k, 23% between US\$500k and US\$1.5m, and 34% above US\$1.5m. Of these, 82% and 75% of the SMEs were raising either debt and/or equity, respectively. With a cumulative 2020 revenue of US\$251m among the SMEs, the highest 2020 revenue amount reported was US\$94.5m, while the median revenue amount was US\$150k. All the SMEs were post-revenue, and ~59% considered themselves at the growth stage, while ~35% were in the early stage/start-up, providing investors with a strong investable pipeline of opportunities. Additionally, 58% of the SMEs reported having 30% or more women ownership, while 66% reported having 30% or more youth ownership.

Figure 1: Summary of first cohort of SMEs seeking investment

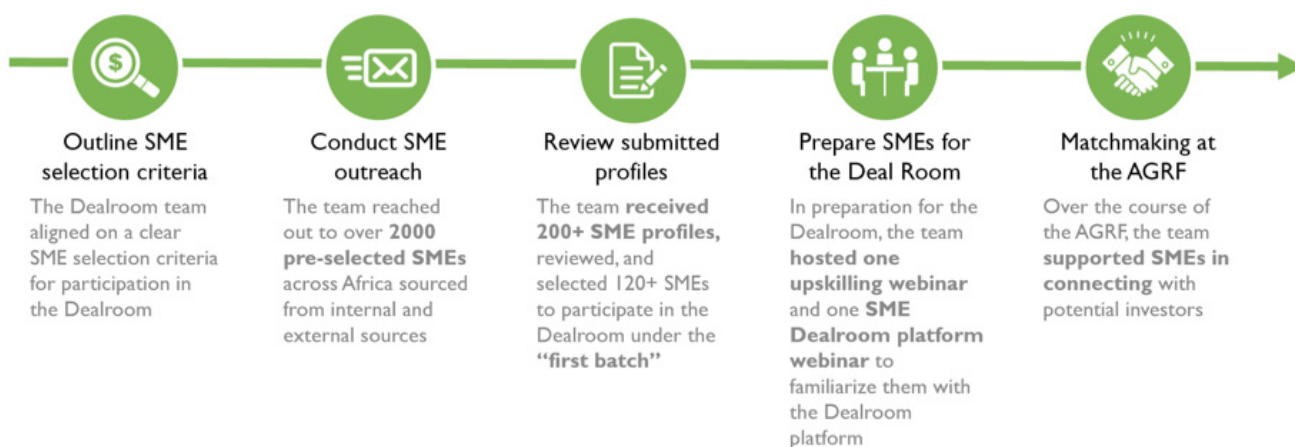


A total of 127 SMEs actively sought investments, and the Agribusiness Dealroom presented them with opportunities to initiate the capital-raising process with investors. It involved the profiling and screening of an initial pipeline of investors and SMEs as well as the facilitation of match-making sessions between these two parties according to “fit.”

The SME selection criteria for **investor matchmaking** at the African Agribusiness Dealroom at the AGRF was centered on three main considerations:

- **Value chain activities: Active in agribusiness**, including primary production, enabling, value addition, digital platforms, etc. Other value chain considerations included **quantifiable and clear smallholder impact**, **clear sustainability impact**, clear **food security** impact, **poverty reduction** impact, and other SDG targets.
- **Geography:** The SME must have been **directly active within the African continent** or planning to expand into the region within the next 12 to 18 months.
- **Profile of business: post-revenue / proof of concept** with a product in the market and an existing customer base. The SME must have plans to scale operations within the next 12 to 18 months, have a clear business model, and **looking for financing**.

Figure 2: SME engagement cycle in the Dealroom



2.1 SME preparation

In previous Dealrooms, investors highlighted SMEs’ lack of preparedness and nascent understanding of the fundraising process as a major barrier to transaction progress. On the other hand, SMEs highlighted several areas, including financial modeling, interpretation of term sheets, etc., as potential areas for upskilling. To bridge this gap, the Dealroom team held an upskilling webinar on investment readiness as part of Dealroom 2020 and, scaled the upskilling to cover three additional topics as part of the year-round platform in 2021. These webinars will position SMEs to continue the conversations on fund-raising initiated during and after the Dealroom, and subsequently acquire skills to accelerate business growth.

On August 25th, 2021, the Dealroom team held the first of three planned webinars to strengthen SME preparedness for investor interaction. The focus was on creating an understanding of financial statements, forecasting, and building valuation models.



The platform has been tremendously helpful in supporting early-stage SMEs access capital.”

Isaac Osei, Co-founder / CTO, DigiExt

The SME financial modelling training garnered significant interest with 607 individuals registered, the majority of who were from Nigeria (199), Kenya (86), and Ghana (43). Overall feedback on the usefulness of the webinar was positive and the attendees expressed an overwhelming interest in a financial model template they could tailor-make to suit their respective businesses. The Agribusiness Dealroom Resource Bank includes a modelling template which will be expanded to include different types of templates.

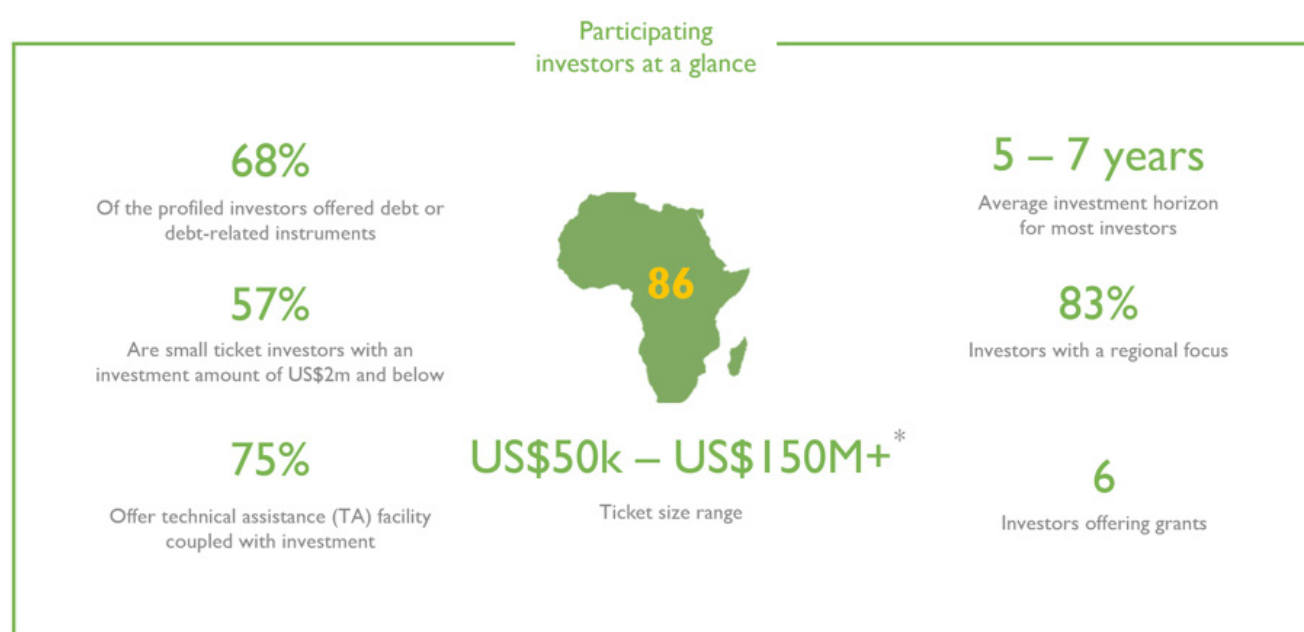
The training **webinar recording** is publicly hosted at the Agribusiness Dealroom virtual platform.

2.2 Investor mobilization and preparation

In preparation for the event, the Dealroom partners leveraged their extensive networks to invite and profile investors in Africa's agriculture sector. Over 200 capital providers were invited to participate with a focus on small-ticket investors and lenders, among them both local commercial banks as well as regional lenders, and investors that had participated at previous Dealrooms.

The capital providers included both domestic and foreign investors ranging from bilateral Development Finance Institutions (DFIs) to multilateral DFIs, emerging market private equity funds, impact funds, regional commercial banks, venture capital funds, grant providers, and development partners. This diverse group of capital providers presented a wide range of financing options, including equity, debt, mezzanine financing, and grants. In addition, during the conference, the Dealroom team continued to support investors by making introductions to SMEs that fit their criteria.

Figure 3: Summary of capital provider profiles



The capital providers included both domestic and foreign investors ranging from bilateral Development Finance Institutions (DFIs) to multilateral DFIs, emerging market private equity funds, impact funds, regional commercial banks, venture capital funds, grant providers, and development partners. This diverse group of capital providers presented a wide range of financing options, including equity, debt, mezzanine financing, and grants. In addition, during the conference, the Dealroom team continued to support investors by making introductions to SMEs that fit their criteria.



It's a pleasure to participate in the Dealroom again. Last year it was very good as I managed to get a good business to invest in."

Bitta Wycliffe, Senior Investment Associate, Goodwell Investments

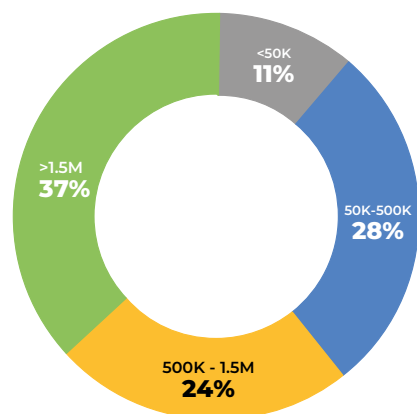
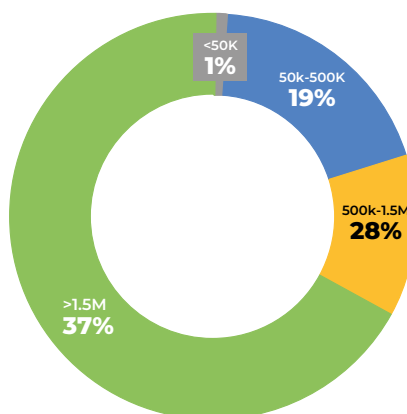
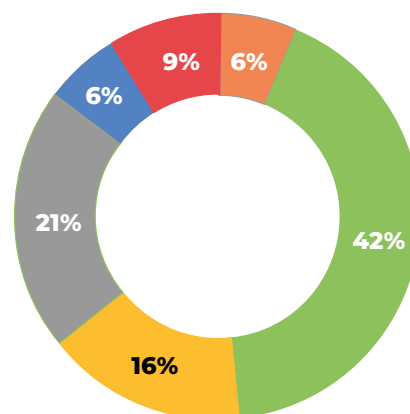


Figure 4: Investor engagement cycle

2.3 Matchmaking overview

The Dealroom team actively facilitated the matchmaking process by encouraging parties to engage with one another on the B2Match platform. Where necessary, the Dealroom team facilitated direct introductions via email.

As a result of the matchmaking efforts, 40% of the first cohort of SMEs received interest from at least one investor. The highest investor interest and interaction was seen with SMEs operating in the financial services, value addition and the processing sectors. Other strong indicators of interest from investors included SMEs with a high revenue base, positive earnings before interest, taxes, depreciation, and amortization (EBITDA positive), as well as capacity to raise capital in excess of US\$1.5m.

Figure 5: Number of interactions by target SME's revenue**Figure 6: Number of interactions by target SME's fundraising amount²****Figure 7: Investor interest by target SME's value chain focus**

Value addition / processing
Financial services
Enabling (Digital agriculture/aggregation platforms)
Provision of outputs
Other
Primary production



2.4 Sample SMEs at the Dealroom

Ghana Agtech

Ghana Agtech provides low-cost and convenient ICT-enabled agriculture extension services using data gathered by satellites and drones, weather stations, and soil sensors to disseminate relevant production information to smallholder farmers at the right time in a cost-effective manner.

With revenues of just below US\$1m, EBITDA margins of >30%, and US\$2.5m raised in either debt or equity, Ghana Agtech had the highest number of interactions with investors (16) at the 2021 African Agribusiness Dealroom, signaling a growing investor appetite for tech-enabled businesses that address bottlenecks along the agricultural value chain. In addition, the company was prepared to engage and had all the required investor materials, among them the Investment memorandum, financial model and pitch deck, to support investor engagement. The promotor also showed the ability to navigate the fundraising process by capturing and following up on the next steps, that had been identified as a barrier to the progress of conversation at previous Dealrooms.

Uganda Agri-Processing

Uganda Agri-Processing is involved in the value addition of grains and cereals by mobilizing local smallholder farmers into producer organizations to consolidate the upstream supply chain. Just five years in operation, the company has grown to over US\$10m in revenue, is profitable, and was seeking US\$5m in both debt and equity to expand its processing capacity.

Uganda Agri-Processing received one of the highest investor interests (7) in the Dealroom, demonstrating investors' appetite for SMEs with a high revenue base that were operational in value addition/processing.

Kenya Cold Chain

Kenya Cold Chain leverages technology to empower African communities by providing sustainable off-grid logistics such as solar-powered cold chain and related support to small-scale farmers to manage post-harvest losses.

Kenya Cold Chain participated in the previous two Dealrooms, securing US\$250k funding from one of the capital providers during the 2020 Dealroom. By participating in the 2021 Dealroom, the company will build on the momentum to crowd in additional investors and raise US\$1m of working capital in both debt and equity.



USAID is purposefully engaging the private sector to overcome many of the hurdles to investment and trade in the region. We see private investment as the principal creator of jobs that improve the lives of people and communities. While public investment remains important, huge growth potential lies squarely in the private sector. USAID believes that investing in inclusive development is foundational to supporting lasting economic growth. We know that agriculture is essential for driving growth and development, and for stimulating recovery from the COVID-19 pandemic. The Dealroom is an important forum where the private sector and investors actually unlock financial resources.”

Mark Meassick, Mission Director Kenya, USAID

2.5 Next steps at the year-round Dealroom

The year-round matchmaking platform equips SMEs with skills and tools to fund and grow their business and connects them with capital providers. The platform will deliver this through the following activities:

i. Capacity building for SMEs to cultivate a strong pipeline of investment ready businesses

86% of the SMEs found the financial modelling webinar extremely useful in the preparations for the fundraising process and for growing their businesses. The Dealroom will make these webinars recurrent throughout the year to enhance knowledge transfer and ensure better alignment among SMEs, service providers, and investors. Some upcoming webinars that SMEs can anticipate are:

- **Overview of term sheets and key clauses:** This will demystify term sheets and existing misconceptions around certain clauses. The webinar will include a review of the major investment agreements (i.e., term sheet, subscription agreement, and shareholder agreement). It will also include an overview of the key considerations while structuring agreements such as standard terms, terms that impact investment economics, that provide control rights, and downside protection, among others.
- **Investment readiness and key documents:** This webinar will cover how SMEs can prepare for fundraising, including the required documents to facilitate the process. This includes an overview of the investment process from initial investor engagement to financial close as well as the key activities involved at each step. In addition, it will include an overview of key documents (i.e., investment memorandum, investor teaser, financial model, NDA, etc.), and the various key components of each with a focus on the investment memorandum/business plan

ii. Upskilling service providers to build a vibrant ecosystem

The Dealroom team will also conduct an upskilling webinar for business development service (“BDS”) providers, incubators, and accelerators to align with the needs of the participating SMEs as well as ensuring that service providers support SMEs to build capacity for their fundraising processes. Ultimately, this will be geared towards how service providers work with AGRA to support participating SMEs through the fundraising cycle as a core component of a sustainable and vibrant investment ecosystem.

iii. Ongoing matchmaking, monitoring, and reporting to create a vibrant deal sourcing ecosystem

The Dealroom team will build on the momentum from the AGRF Summit to continue matching investment opportunities with the appropriate capital sources. This involves creating a structured way to gather information on actions, including the common barriers emerging from the year-round African Agribusiness Dealroom at the AGRF. It ensures follow-up on agreed next steps and facilitates ongoing dialogue to remove obstacles from within the ecosystem. In addition, the team will continuously highlight insights about activities within an enabling environment that could catalyze further investment in agricultural transformation and provide clear feedback to stakeholders to inform their interventions.

iv. Strengthen the Agribusiness Dealroom Resource Bank to optimize value offering and utility for SMEs

The African Agribusiness Dealroom team will build upon the SME resource bank launched at the AGRF 2020 to provide additional useful resources to enable SMEs fundraise and grow their businesses. This will be achieved by working with AGRA partners, including USAID, GIZ, US DFC, Prosper Africa and IFC, as well as supporting providers to update the resource bank with more recent and relevant materials. Potential resources to include in the resource bank include materials such as business plan templates, pitch deck templates, sample contract templates, business development document templates and useful reports, or presentations on the fundamentals of running a business.

v. Curating information for investor decision making

The Dealroom will curate presentations and deep-dive sector-focused or value chain reports developed by AGRA and its partners with various stakeholders such as investors and service providers. The curated information will provide a one-stop shop for broad data and analytics to guide investment decisions for both investors and SMEs.

3

Government engagement overview

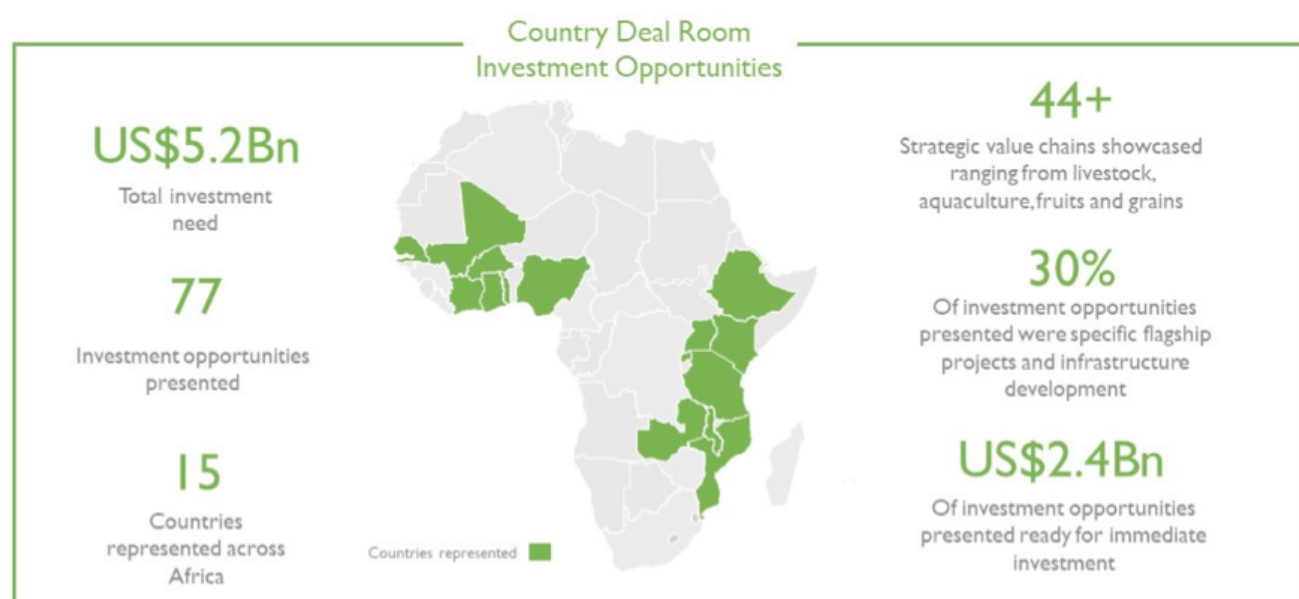
The African Agribusiness Dealroom supported 15 governments to promote investment opportunities for a range of investors that included development finance institutions, institutional investors, financial institutions, and private sector investors. Recognizing each country varies widely in terms of investment preparedness and capacity to pitch opportunities and facilitate deals, the support provided through the Dealroom focused on building governments' capacity to put together a pitch and subsequent follow-up with investors. The pitch preparation and delivery are one critical step in the investment journey; one that could take between two and six years of project development, packaging, promotion, engagement, due diligence, information-sharing, and negotiation. Governments require in-country support throughout this journey in order to make a significant difference in their capacity to attract private investments into the agri-food sector.

Figure 8: Government engagement cycle



The **15 countries** prioritized investment opportunities totaling **US\$5.2 billion** to showcase to investors. Governments in **14 countries** presented these opportunities during a live pitch session at the AGRF Summit where Cote d'Ivoire promoted the opportunities to investors through the B2Match platform.

Figure 9: Government engagement overview





I would like to recognize and congratulate the African Green Revolution Forum and its partners who have taken leadership in organizing this event to facilitate partnerships and investments in the agriculture and agro-processing sectors among African countries. The Dealroom is expected to create partnerships, access to finance and market linkages for our country. As the leading foreign exchange earner, accounting for 35% of the country's GDP and the livelihood of its people, agriculture plays an important role in the national economy by creating employment for over 70% of the population."

H.E. Teka Gebreyesus - State Minister of Trade and Industry, Ethiopia

3.1 Government pitches

The Dealroom approach provides a customized experience as well as solutions for all our participants. For governments pitching at the Dealroom, each session is unique and driven by prevalent country specific priorities. Governments presented a combination of various opportunities categorized as below:

- **Flagship projects** – presenting medium-large scale projects with investment opportunities in the development of infrastructure for processing units, roads, and storage facilities, establishing and managing integrated agro-hubs, etc. **Nine (9) governments** presented these projects for a total of **US\$1.5 billion**.
- **Value chains** – making the case for increased greenfield and brownfield investments in developing production and processing units for strategic value chains - aquaculture, fruits, cashew, rice, livestock, poultry, etc. **Ten (10) governments** chose to showcase strategic value chains, for a total value of **US\$3.6 billion**.
- **SMEs** – giving the space for local SMEs to make a pitch to investors, supporting them to access debt and/or equity financing. **Four (4) governments** supported local SMEs to pitch, for a total financing need of **US\$103 million**.

To match these varied opportunities, the Dealroom team invited more than 300 investors, including capital providers as well as companies, mainly regional and international companies looking to expand or explore new greenfield and brownfield opportunities. During each country pitch session, the audience comprised these two groups, as well as SMEs that were keen to hear from their governments and partners about the focus in these countries.

Figure 10: Summary of investment opportunities prioritized by governments during their Dealroom sessions



3.2 Case studies of select government experiences

Kenya

National and county-level governments working together to attract private investment

Kenya was this year's AGRF and Dealroom host, and as such, the government worked with partners on a 2-hour In-Person and online session. The collaboration included the Ministry of Agriculture under the leadership of the Cabinet Secretary and the Permanent Secretary, represented by its Agricultural Transformation Office, as well as KenInvest, the Council of Governors' Agriculture Committee, the Agriculture Sector Network (ASNET) representing the local private sector, and several selected Kenyan SMEs. The program included spotlighting agri-SMEs, county-level investment opportunities and two national investment-ready flagship projects.

One of the flagship projects included a special economic zone to support cattle farms in the Tana and Athi River basin, while the other project was an agro-processing hub in Navaisha designed to support multiple value chains, such as fruits, vegetables, tubers, cereals, dairy, fisheries, livestock and others. After the Dealroom, the Kenya team was supported to design and execute a targeted follow-up strategy to trace ideal investors for the investment opportunities valued at US\$122Mn. The collaborative approach of the government and private sector signals Kenya's capacity to attract multiple investors with varied ticket sizes and objectives. The hybrid session was well attended virtually (on the main AGRF platform) as well as in person.

Senegal

Public and private sector working together around one specific project

Senegal hosted an engaging Dealroom session that generated multiple investment leads. The Ministry of Agriculture was the lead agency and chose to prioritize one high potential project for the Dealroom pitch session.

The project, a banana agro-processing hub, already has a local partner, ID Bio, and is in line with the government's objective of developing banana exports. ID Bio seeks US\$8.9 million to develop a hub, including a warehouse, seedling plant facility, an industrial unit for producing 40,000T of organic fertilizer and a packaging unit, in order to supply the European market sized at 6.5 million MT annually.

After their session at the Dealroom, the project team in Senegal pro-actively reached out to 55 investors, using the data and guidelines provided by the Dealroom team. A few weeks post session, the team has led several promising conversations with investors, including the Common Fund for Commodities and African Development Bank.

Ethiopia

Successful cross-government coordination to attract strategic investments

The Ethiopia team comprised a diverse panel of technical experts and senior government officials. The panel The Ethiopia team comprised a diverse panel of technical experts and senior government officials. The panel included the State Minister of Trade and Industry, H.E. Teka Gebreyesus, the Deputy Commissioner of the Ethiopia Investment Commission, H.E. Temesgen Tilahun, and experts from the Agricultural Transformation Agency and Ministry of Trade and Industry. The well-coordinated presentation promoted investment opportunities from three strategic value chains and four investment-ready flagship projects (agro-industrial parks) with active support from in-country AGRA and TBI teams.

The Ministry of Trade and Industry will lead the follow-up with investors for the agro-industrial parks with support from the Dealroom team.



As one of the fastest growing economies in East Africa, Kenya's demand for agro-processing products is growing at 11% per annum across all food value chains. As a government, we have taken deliberate action to create a strong enabling environment including both fiscal and non-fiscal incentives for investors looking to the agriculture sector."

Thule Lenneiye, ATO Coordinator, Ministry of Agriculture, Livestock, Fisheries and Cooperatives

3.3 Next steps at the year-round Dealroom

The Dealroom recognizes that governments are at different stages of investment readiness and interventions must be tailored to match their national dynamics and capacities.

Supporting committed governments to unlock investments into pitched opportunities

The post-investor introduction facilitation stage is critical to enabling the conversations started during the Dealroom to turn around into decisions for establishment and ultimately securing deals. We will continue to work closely with governments to follow up leads at the facilitation stage. The engagement will also drive new investor outreach through national investor and private sector roundtables.

Domesticating the Dealroom within committed countries

In a demand-led approach, the Dealroom will support countries to domesticate the activities in-country, driving country level investor outreach and engagement through targeted investor pitches, bi-lateral investor engagement and national investor tours.

Promoting regional cohesiveness

Supporting countries to harness the African Continental Free Trade Area (AfCFTA), the Dealroom will promote regional cohesiveness and investment attraction through regional peer-to-peer Investment Promotion Agency (IPA) dialogues, IPA to investor dialogues with a focus on leverage of national opportunities and cultivating an enabling environment.

4

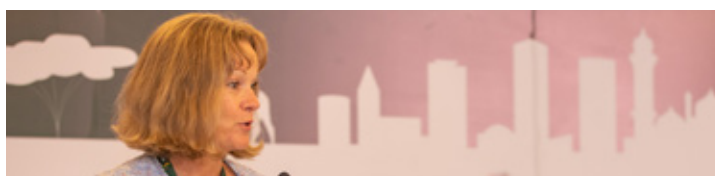
Sourcing in Africa

Despite Africa's vast agricultural potential, the continent is still a net food importer. The African food import bill is estimated at \$45 billion, a \$10 billion increase from six years ago, signaling a growth in demand and purchasing power as a food market. However, whilst local supply remains below-par, too costly, fragmented, and unable to meet the rising demand, all is not lost. In the past decade, African countries have invested in improved technologies and infrastructure, contributing to the parallel increase of the value of agricultural produce exported, estimated at \$35 billion. At the African Agribusiness Dealroom our vision is food self-sufficiency and surplus for the continent, recognizing that this is only possible through strengthened value chains with competitive, high quality products. Sourcing in Africa aims to strengthen the efficiency and integration of supply chains, focusing on formal linkages between producers (African farmers), SMEs and anchor buyers. The initiative also crowds in key adjacent actors including government, financial institutions and development partners who provide the enabling services that promote the growth of the value chains.

Sourcing in Africa was initiated by AGRA, GrowAfrica and IDH, after a call for action by anchor buyers at the Dealroom 2019. The implementing and technical partners were encouraged to support the private sector to design and scale successful local sourcing models through value chain partnerships and knowledge sharing.

Dealroom 2021 prioritized two major value chains; rice and poultry, holding dialogues around critical bottlenecks constraining the potential of these value chains and opportunities and actions to be taken collectively to strengthen the value chains. These were selected against a broad criteria including demonstrated commitment by governments to invest in the relevant infrastructure and policies, the commitment by the private sector to work together to strengthen vertical integration and the centrality of the value chain in Africa's consumption patterns.

The dialogues are a first step to identifying the major bottlenecks constraining the optimization of the value chains. The year-round Dealroom will go beyond dialogue into alliance-building around target value chains.





“As the AfDB we are committed to catalyzing and injecting more blended financing and de-risking mechanisms so that we can channel more financing to financial intermediaries that can service value chain actors. We want to strengthen PPPs and collaboration through partnership platforms.”

Atsuko Toda, Director Agriculture Finance and Rural Infrastructure Development



There is a need for greater coherence of initiatives on the ground. More synergies are needed between partners to avoid duplication and create economies of scale.”

Ibrahim Gourouza, Chief Operating Officer, Grow Africa

4.1 Poultry Value Chain

Poultry is regarded as a great opportunity, not only because it generates a more stable source of income for smallholder farmers, but that it also has positive effects on health and nutrition outcomes.

The discussion focused on the vast opportunities for inclusive and sustainable development of the poultry sector in Africa and the pathways to unlocking its potential. Unlocking this potential can only be realized once a number of impediments are addressed and the experts called on collective action at the various system levels to address the constraints below.

CRITICAL CONSTRAINTS LIMITING THE POULTRY VALUE CHAIN POTENTIAL

1. **Production costs:** Limited availability and high cost of animal feed, currently feed constitutes more than 65% of production costs
2. **Import competition:** Need to incentivize local trade through regulating and limiting dumping
3. **Availability of technologies:** Increased access to imported inputs for breeding and improved production technologies
4. **Consumption patterns:** Awareness raising and education on the benefits of poultry and poultry products to increase local consumption especially in the rural areas
5. **Infrastructure:** Strengthening the backbone infrastructure to enable production and trade to happen

Three key elements were discussed, including the role of quality feedstock, the availability of inputs (including breed and vaccines) and the importance of public-private collaborations to unlock production and affordability of poultry and related products. Questions focused on how to reduce the cost of inputs and the creation of novel business models where feed and poultry production are brought together to optimize costs. The need was also felt for linking rural production centers to markets. A need was identified for the set-up of cold storage infrastructure in strategic areas to improve the shelf-life of the product.

If you missed the session you can find the webinar recording [here](#).



Asked to respond to the question, ‘What comes first, the chicken or the egg?’, a wise man responded, ‘The Feed!’ Provide good feed anywhere in Africa, as well as good quality chicks, and a poultry industry will grow on its own, supporting many people year-round.”

Peter De Wet, Director, Farmfeed Limited and Chair of the Poultry Solution Feedstock Working Group

4.2 Rice Value Chain

Africa is calling for self-sufficiency. Yet it is only through innovation and resolution of each point on the rice value chain that the continent will be truly self-sufficient. The Writing the Blueprint for Rice Self-Sufficiency in Africa session saw a range of speakers contribute their expertise and personal experiences towards a common understanding of what is necessary for Africa to truly achieve self-sufficiency in rice production.

Governments, NGO's, the private sector, financial institutions, and smallholder farmers must unite to develop a common strategy for solving Africa's self-sufficiency challenge. The session investigated how all actors at all stages of the rice value chain could converge on the solutions to create self-sufficiency. The Covid-19 pandemic has drawn renewed attention to the 'Rice Race' following months of disruption to the continental supply chain due to border closures, and the absence of a truly African response to a global crisis.



To achieve the vision of the Rice Race we need the five Vs: VISION, VOICE, VOLUME, VALUE, and long-term VIABILITY”

Fadel Ndiame, Deputy President, AGRA

CRITICAL ACTIONS FOR RICE SELF SUFFICIENCY



VISION

A shared vision of a prosperous, efficient rice supply chain generating inclusive growth and sustainable wealth



VOICE

Giving every single actor in the value chain voice and agency to participate meaningfully and gainfully



VOLUME

In order for the rice value chain to be competitive, the production/supply side must be strengthened to ensure consistent quantities that can only be achieved through improved access and availability to the best inputs, technologies and water supply



VALUE

Beyond increase of volumes, the supply side must also improve the quality of produce that can compete on global markets



VIABILITY

A viable rice value chain ensures delivery on vision, voice, volume and value



Let us join forces, solve the value chain challenge and accelerate food security in Africa. We are calling on governments, NGOs, and donor communities with the experience, motivation and capabilities to join this Rice Race platform, and to join us on this journey, because we don't just want to go fast – we also want to go far.”

Florent Clair, Head of Partnerships for Sustainability, UPL Ltd

If you missed the session you can find the webinar recording [here](#).

5

Advancing inclusive investments to women and youth



Investing in women is equal to investing in food security

Hilary Barry, founder, and Secretary General of the LadyAgri Impact Investment Hub.

Women across the continent are committed to the growth of the agriculture sector. Comprising between 60% to 80% of the sector's workforce, the transformation of our food systems cannot take place without women's participation, yet they remain excluded in many ways. Specifically, with regard to investments, the World Bank reports that only 1% of credit is allocated to women, thus limiting them from accessing technology and mechanization assets and finance.

On the other hand, Africa is currently the youngest continent in the world and the youth bulge is set to contribute to the demographic dividend, which is the positive contribution of a young population to a country's growth potential. However, this can only be realized if the sector creates meaningful jobs and spurs entrepreneurship for the youth.

Highlights of women at the Dealroom:

- **57%** shortlisted SMEs with women leadership
- **31%** shortlisted SMEs with youth leadership
- **2** women focused sessions in the Dealroom
- **3** live pitches of women entrepreneurs

The Agribusiness Dealroom maintains a strong focus on women and youth by ensuring they are central to our agenda and activities. Recognizing that progress had been made towards addressing the gender gap in access and affordability of financial services, and youth access to employment and entrepreneurship opportunities, there is still more to be done if we are to achieve any success towards the Sustainable Development goals, in particular, SDG 5 and SDG 10 on gender equality and reduced inequalities. Layered onto shared global aspirations are the lessons emerging one year post COVID-19. The impact of the pandemic not only exposed global fragilities and the inequities thereof; but also imprinted upon us all that we are connected like never before. The world has never been flatter, across geographies, across sectors and most importantly across gender and youth. Our strength is in our interdependencies.

5.1 Game changing solutions to capitalize women's agri-enterprises

Women entrepreneurs, gender lens financial catalysts and other development actors within the food system and financial inclusion space convened at the African Agribusiness Dealroom to explore game changing solutions and the actions needed to capitalize women owned agri-enterprises.

The resounding message was: Financial products should be tailored to cater to the uniqueness of women entrepreneurs. Such gender lensed financing must be data and evidence-based through the entire financial cycle, from product design to promotion and access. Gender considerations should not only look at the financing needs but incorporate a broader understanding of the conscious and subconscious biases and gaps between men and women that limit social inclusion.

The discussions focused on both the supply and demand side of the business, noting the actions needed on both sides in order to effectively increase the financial resources accessed by women.

THE CALL TO ACTION

Supply side:

Alternative collateral – women often do not own the factors of production commonly used as the collateral standard by financial institutions. The landscape needs to pivot from conventional collateral and towards adapting and implementing gender responsive financial products and services through non-traditional approaches like alternative collateral and digital credit scoring. These alternative and innovative collateral approaches solve some of the major barriers to finance for women.

Capacity building of financial service providers – systemic shifts will only take place if the financial institutions are prepared to work with women clientele in a way that is responsive to their financial needs, while also acknowledging their evident gender gaps and the existence of unconscious inherent biases.

Disaggregated data reporting – the cost and availability of financial products to women are constrained by the risk associated with lending to women. Alternative data however suggests that women borrowers have lower default rates than their male counterparts. The call from the African Agribusiness Dealroom was a challenge to financial service providers to report transparent and disaggregated data on portfolio performance, thereby further informing the ecosystem on real-time risk and investment decisions.

Demand side:

Capacity building of women entrepreneurs – women have enjoyed the benefits of skills building, empowering them to start and run businesses. This has contributed to an increased number of visible women entrepreneurs coming into the pipelines of mainstream business investors. However, there is need to continue supporting these women to productively engage in and negotiate investments that would provide growth capital for their businesses. There is also the need to build up the trust of women SMEs to engage with the financial sector and be willing to invest beyond their comfort zone.

The 2021 Dealroom, hosted the African Resilience and Investment Series for Women Executive (ARISE) program, implemented by AGRA, and RENEW to equip women with the knowledge and skills to grow and compete in the market by pitching their businesses for additional investment. The 2,000 women enrolled into the program were supported to become investment ready by demystifying the different forms of finance (equity and debt) and through knowledge transfer on the requirements to access each. Overall, the training supported the women to gain confidence in their ability to secure funding and grow their businesses.

Over the past year, AGRA, has strengthened its capacity transfer agenda for women through VALUE4HER platform. The platform enables women to access know-how, network with each other, and connect women to finance, markets and technology.



1,830 Members from over 40 African countries



1,064 Women SMEs Trained through the ARISE program



VALUE4HER launched in AGRA's 11 focus countries reaching over 1,710 stakeholders



Over 1,500 people reached through advocacy platforms



“

“I have faced different challenges at different levels of my poultry business. Through this I have learnt that successful businesses are anchored on the owner’s capacity and technical skills including skills on records, financial modelling, negotiation skills, preparation of pitching materials that need technical skills, as well as technology gaps.”

Ms Elizabeth Swai, MD AKM Glitters Company Limited

“

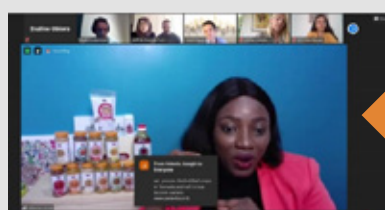
We don’t rise to the level of our expectation, but we fall from the level of our training especially when challenges such as COVID 19 come our way.”

Laura Davis, Managing Partner of RENEW LLC.

5.2 Live pitching at the Dealroom

A few of the ARISE graduands got the opportunity to pitch their businesses live at the African Agribusiness Dealroom.

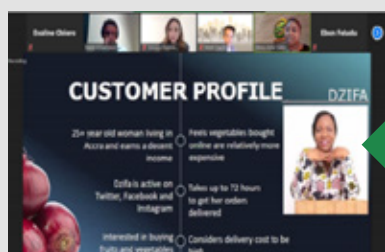
The three Women SMEs whose investment needs totaled US\$1.3 million, presented strong proposals to a panel of six investors and an audience of over 290 participants. The investors also had the opportunity to ask a few questions and interact with the SMEs to gain a better understanding of the opportunity and alignment to their strategy. The live pitching at the Dealroom served multiple purposes, including building the skills of the women entrepreneurs in investor engagement and business pitching, showcasing the high potential that Africa presents in agriculture, and peer motivation to other women-owned SMEs that are looking forward to the fundraising journey. The three SMEs will be supported to continue their investor interaction that begun at the live pitching.



Adane Uche CEO, Ady's Food Mart Enterprise-Nigeria pitching her company to a panel of investors as other SMEs took the chance through chat



Bless Ama Satsi CEO, Kuanijom Ltd-Ghana pitching her company to a panel of investors



Ebum Feludu CEO, JAM, the Coconut Food Company-Nigeria pitching her company to a panel of investors



An Angel Investor Tony Rock directing his questions to one of the women SME pitchers

5.3 Youth

The African Agribusiness Dealroom strives to promote opportunities that attract the youth into agriculture. Harnessing their innovative skills and strengthening their entrepreneurial skills, the Dealroom works closely with Generation Africa to expand the visibility of young entrepreneurs, while introducing them to a vibrant investor process through which they can access growth capital.

Generation Africa is the youth thematic platform of the AGRF supported by strategic partners. The mission of Generation Africa is to strengthen the ecosystem for young agripreneurs across the continent. The Gogetta Agripreneur Prize and Pitch AgriHack competitions received over 4,500 applications from across the continent of whom, 26 made it as finalist and 12 winners were announced. These finalists brought in the vibrance of the youth voice at the African Agribusiness Dealroom during the AGRF by articulating their challenges and successes while contributing to the solutions necessary for Africa to establish pathways to recovery and resilient food systems. These were captured in the contributions by the youth to the Dealroom's podcast and plenaries.

AGRA's Voices of Africa
EPISODE 09

"We'd like to be invited to create solutions and policies that will help young innovators build resilient food systems in Africa."

EVANGELISTA CHEKERA
CEO, PASSION POULTRY

HOSTED BY:
WILLIAM ASIKO
MANAGING DIRECTOR OF THE ROCKEFELLER
FOUNDATION'S AFRICA REGION OFFICE

The financing landscape does not favor the youth despite the increased participation of youth in the food systems. More solutions and youth-focused interventions are required. The African Agribusiness Dealroom and Generation Africa will continue to collaborate in the establishment of activities that will increase investments in the youth enterprises as well as empowering more youth SMEs to be investment ready.



6

Dialogue driven enabling environment

The African Agribusiness Dealroom and its partners held 16 knowledge sessions and dialogues around the key trends and issues emerging from the agriculture investment landscape. The sessions were all anchored on the theme of resilience and competitiveness of the sector and included discussions about harnessing the AfCFTA, innovations for renewable energy and digital solutions, strengthening the SME enabling environment, inclusive investments, promoting public private partnerships for sector growth and increasing sourcing in Africa. The sessions brought together the expert voices and experiences of industry captains, governments, investors and financial institutions, SMEs and development partners.

6.1 Pathways to attracting impactful investments in Uganda

In July 2021 Commercial Agriculture for Smallholders and Agribusinesses (CASA) in partnership with the Uganda Investment Authority and the African Agribusiness Dealroom facilitated an Agriculture Investment Summit in Uganda. The summit attended by investors, industry associations and development partners, explored how policy changes and practice could open-up investment in agriculture in the country. The investor-led working groups identified key actions required to unlock investments, setting out a five-point action plan to be implemented by the Investment Authority supported by CASA and the African Agribusiness Dealroom.

Uganda's five actions to speed up of the evolution of the investment climate:

- **Making agricultural finance more accessible to SMEs and smallholders**
Immediate action: The Uganda Investment Authority will work with Uganda Development Bank, the Uganda Banks Association and the Ministry of Finance to establish the impediments faced by banks in trying to access the Agricultural Credit Guarantee Scheme and find a way forward.
- **Centralized database**
Immediate action: The Uganda Development Authority will produce a database of small-scale businesses and farmer groups by the end of 2021
- **Developing and enforcing quality standards**
Immediate action: Push ahead with an inter-institutional working group to define a pathway for resolving quality issues
- **Promote the investment one-stop center**
Immediate action: Uganda Investment Authority will develop and implement a communication strategy for promotion of the one-stop center as the single access point for information and service transactions for investors
- **Increasing public investment in market enhancing infrastructure, particularly for export focused crops**
Immediate action: The Uganda Investment Authority, together with the Ministry of Finance, Ministry of Agriculture and other central government partners will identify priority investment needs and costs for agricultural export infrastructure in key commodity and food crops.

More information about the 5-point action plan can be found [here](#).

6.2 Innovative agricultural SME finance models



Innovation should address the pain points of SMEs' financial problems - it shouldn't be about technology for technology's sake."

Adesuwa Ifedi Senior Vice-President Heifer International

Mobile cellular coverage in Africa, refers to the percentage of the population that lives within reach of a mobile cellular signal. This is estimated to be 88.4%, while the percentage of individuals using the Internet was 35% by end of 2020. The COVID-19 pandemic accelerated the need for technology infrastructure for business survival, affirming that digital technologies could unlock new pathways for rapid economic growth, innovation, job creation and access to services in Africa.

SMEs provide a range of services, from transport and logistics to the sale of inputs such as fertilizers and seed to farmers. Their activity is driving a “quiet revolution” across African Agriculture, connecting smallholder farmers to commercial markets at an unprecedented rate. SMEs are the biggest investors in building markets for farmers in Africa today, and will likely remain so for the next 10 to 20 years. However, the survival and competitiveness of this critical group is hinged to the availability and accessibility to technology that supports innovation, e-commerce, market expansion and record-keeping while lowering the cost of operations.

Digital Finance is creating opportunities in financial inclusion for gender equality and inclusive economic growth. Mobile payment systems provide a gateway for better economic opportunities. Most banks are turning on big data and AI for gathering information about SMEs and to assist in assessments as common rating tools that will reduce the cost of doing due diligence before the disbursement of funds. The benefits of digital technology are innumerable, especially at a time when financial institutions are more willing to invest in agricultural sector using the reduced information asymmetry that digital data affords.

There is also the use of emerging technology and innovative models, as well as engaging rural youths as entrepreneurs, each serving 200 farmers using digital platforms to integrate service providers and create a private-public philanthropic model that leverages the strengths of all the service providers to deliver cheaper solutions for MSMEs to access finance.

The dialogue also discussed the importance of appropriate and enabling regulatory policy for fintech.

Value Propositions for digital financial approach for SMEs

1. **Data-driven Credit Decisioning:** Financial Service Providers have an opportunity to acquire robust data through digital service providers. For SMEs, transactional data that can enhance their credit decision-making process on agricultural loans to farmers.
2. **De-risking Lending:** Digital integrated solutions can de-risk the process of loan collections through payments by automating the collection of repayments.

During the session, institutions made commitments on their investment in digital finance:

- Kuza Biashara Limited will launch its digital product of one network, bringing onto one platform the partners in the private and public sectors, and the philanthropy partners.
- AFEX committed to providing short-term working capital financing at AGRF Dealroom. AFEX leverages its infrastructure and platforms to unlock funds from capital market players for commodity value chains in Africa. Through innovative, asset-backed instruments, AFEX can provide short-term working capital financing at ticket sizes ranging from US\$50,000 to US\$5 million. The financing on offer is primarily targeted at closing the funding gap between lenders and borrowers in Nigeria’s agricultural sector, utilizing commodity backed instruments. AFEX deploys tech-enabled operations and a 24-hour fast cash turn-around for the benefit of borrowers. The financing will enable Agri-SMEs manage price volatility and secure their raw material requirements with significant savings on prices
- AgriUT announced its new Digital Utility Token that can be purchased by individuals, ethical businesses and organizations focused on the development of the farming communities. It can be used to directly reward farmers via a dedicated website or by coffee companies as part of a customer loyalty program.

Value Propositions for digital financial approach for SMEs

1. **Data-driven Credit Decisioning:** Financial Service Providers have an opportunity to acquire robust data through digital service providers. For SMEs, transactional data that can enhance their credit decision-making process on agricultural loans to farmers.
2. **De-risking Lending:** Digital integrated solutions can de-risk the process of loan collections through payments by automating the collection of repayments.



Africa's agri-entrepreneurs ("SMEs") have huge potential to contribute to stronger and more inclusive and equitable economies. But to realize this potential, SMEs will need efficient and predictable markets, affordable working... capital and investment resources and strengthened data systems for better risk management and resource allocation. At IFAD we are investing in all of these areas and looking forward to partnering with many of you to have greater impact."

Dr. Donal Brown, Associate Vice-president, IFAD

7 Virtual convening space

The African Agribusiness Dealroom's journey has been evolutionary over the past four years. Launched in 2018 on the margins of the AGRF in Ghana, the Dealroom hosted less than 20 companies in the conventional brick and mortar meeting room, in Accra. In 2019, the ecosystem begun to recognize the opportunities as the Dealroom improved its delivery efficiency by introducing a digital participant registration and booking function for meetings that facilitated on-site sessions and meetings. The advent of COVID-19 forced us all to pivot and re-think how we did business and the Dealroom responded by going fully virtual for the first time ever. The African Agribusiness Dealroom 2020 tested the virtual platform mode of delivery and engagement of its participants, recording positive milestones, including increased participation, a 24-hour opportunity to engage, as well as a reduction of limitations created by the constraints of being in one space and time zone.

This year, 2021, represents the future model – a fully on-line experience that can integrate with physical events – offering a hybrid platform, that allows participants to schedule and hold meetings virtually on the platform, running throughout the year, with multiple events keeping participants engaged, informed, and connected.

The 2021 Dealroom, hosted a record high of 4,500 participants which was a 26% increase from the previous year. Virtual participants represented 3,745 organizations where 1,282 were from the Agricultural and AgTech sectors.

To increase user engagement on the platform and optimize user experience, the Dealroom team supported registrants with participant walkthrough sessions on a weekly basis ahead of the summit

4,500 participants
2,664 interactions
14,000 messages
700 meetings
651 marketplace opportunities

The trend on who was meeting who, and connections sought was similar to the previous year. SMEs were the most active group, out to meet mostly with capital providers, other SMEs, and business advisory service providers. The most active and interactive participant categories at the Dealroom were SMEs, business advisory service providers and capital providers.

7.1 A vibrant virtual marketplace

The marketplace provides participants with an opportunity to advertise their products and services as well as look for partnerships. Each opportunity, directly linked to an organization, allows for other participants to directly connect with the author from the marketplace section. The marketplace opportunities are not solely SME products but include innovations developed by enablers (development partners and business advisory service providers), products from financial institutions, and digital platforms that can scale e-commerce.

The 2021 Agribusiness Dealroom was home to 651 market place opportunities.

Market opportunities at the Dealroom



Investment opportunities – provide a description of the investment opportunity you are looking for



Partnerships – Indicate if you are interested in having a partnership with another organization



Product – Provide a description of a product offering



Project Cooperation – Provide a description on the kind of partner you would like to cooperate with on your project



Services – Describe a service you are offering



Request – Create a request for anything specific you are looking for



Jobs – Any job positions currently available in your company

Opportunity Type	Percentage	Total
Investment Opportunity	15%	101
Partnership	10%	63
Product	49%	317
Project Cooperation	9%	59
Request	3%	19
Service	14%	91
Total		651

7.2 Next steps at the year-round Dealroom

Strengthening the Dealroom platform

As the Dealroom grows, we are committed to ensuring the platform upgrades to accommodate the growth. This year, we focus on integrating the Dealroom to the AGRF and other thematic platforms to assist users to utilize shared resources better and benefit from the various sessions and resources across the platforms.

Community of actors

The Dealroom hosts a community of actors in the African agricultural landscape and in the year-round activities. The platform will deliver virtual activities that foster community engagement, cross learning and peer-to-peer learning.



8

The 2021-2022 year-round African Agribusiness Dealroom

As a year-round platform, the African Agribusiness Dealroom both climaxes at the AGRF summit as it kicks off activities for the next year. This year, the Dealroom will continue to drive the momentum towards sustainable and inclusive investments for competitive markets and trade in Africa. It will harness the commitments made by stakeholders to strengthen vertical and horizontal linkages as well as increase investments unlocked into the sector.

Towards a year-round engagement

The African Agribusiness Dealroom will build on its success trajectory, focusing on scaling interventions that have worked and reflecting on recommendations presented by the different constituencies as well as adopting these into the annual programming. The Dealroom also believes in the importance of a platform that is agile and responsive to the landscape. It is for this reason that our year-round activities are a combination of pre-determined action and evolving activities emerging from the ecosystem needs.

The African Agribusiness Dealroom partners will support the activities below throughout the year:

Accelerating investments into Africa's agricultural private sector:

- Year-round profiling and matchmaking of SMEs to investors and BDS providers
- SME learning webinars on investor requirements and SME preparedness
- Expanded resource bank and knowledge sources on fundraising, value chain studies, emerging lessons, documented successful models for investing in Africa
- Monitoring and reporting on deal sourcing and deal closure
- SME mentorship program to support high potential SMEs
- Peer-to-peer SME program for cross-learning and network building
- Live SME pitch sessions
- Building a network of local Business Development Advisors and other enablers to support SMEs

Building sustainable and inclusive value chains

- - Regional dialogues around priority value chains
- - Alliance building and facilitation of partnerships in priority value chains
- - Year-round matchmaking between value chain actors

Supporting committed governments to unlock investments into flagship projects

- Domesticating the Dealroom within committed countries and supporting the establishment of requisite operational structures
- Strengthen policy feedback through national investor and private sector roundtables
- Drive country-level investor outreach and engagement through targeted investor pitches, bi-lateral investor engagements, national investor tours
- Promote regional cohesiveness and investment attraction through regional IPA dialogues

Carrying forward Africa's commitments from the UNFSS

- Supporting countries translate the UNFSS business declaration into national pathways for execution, monitoring and reporting
- Promoting knowledge sessions and capacity building on sustainable business practices that advance nature positive and net zero systems



We want to expand milling capacity by increasing the number of partnerships with farmer cooperatives, large scale out growers, incorporating different stakeholders and working more closely with host governments.”

Regi George, Vice-President, OLAM International, Nigeria

9 Annexes

9.1 Agribusiness Dealroom partners' delivery team

Dealroom partners

AFDB – Atsuko Toda
 Bonrezo – Paul Mosley
 Bonrezo - Lavender Apollo
 CASA – Alvaro Valverde
 CrossBoundary Group – Paul Ouma
 CrossBoundary Group – Tunuka Gray
 CrossBoundary Group – Benjamin Munyao
 CrossBoundary Group – Cynthia Wangari
 Grow Africa – Nyiko Khoza
 Generation Africa – Dickson Naftali
 IDH – Kebba Colley

IFAD – Sauli Hurri
 KPMG – Wambui Chege
 Rockefeller Foundation – William Asiko
 Tony Blair Institute – Fanny Mégret
 Tony Blair Institute – Catherine Mazhandu
 Tony Blair Institute – Llyod le Page
 Tony Blair Institute – Jonathan Said
 USAID – Laura Peterson
 USAID – Songbae Lee
 World Economic Forum – Sean de Cleene

The Kenyan Government – Agriculture Transformation Office

Thule Lenneiye
 Sharon Makena

The AGRF Secretariat

Jennifer Baarn
 Catherine Ndung'u
 Ann Muthoni
 Angella Tugume
 Dianah Muhabi

The AGRA Delivery Team

Vanessa Adams
 Mumbi Maina
 Sabdiyo Dido
 Hedwig Siewertsen
 Thierry Ngoga
 Partha TG
 Valentine Miheso
 Dorcas Mwakoi
 Stella Massawe
 Nixon Gecheo
 Britt Spyrou

Appreciation is extended to our AGRA country teams and AGRA communication team

9.2 African Agribusiness Dealroom 2021 Session Material

If you missed any of the engaging sessions at the 2021 Dealroom or would like to revisit a session that interested you, please find all the session recordings [here](#).

9.3 How to Partner

The African Agribusiness Dealroom is one of ten thematic platforms of the AGRF. The partners' platform is co-chaired by AGRA, USAID, and IFAD, while the Partners Management Support for the African Agribusiness Dealroom is managed by AGRA on behalf of two dozen partners, bringing together complementary capabilities, resources, and networks to the Summit and year-round platform

- If you are a development organization, investor or financial institution and would like to become a strategic partner of the Agribusiness Dealroom, please email our Agribusiness Dealroom Lead, Mumbi Maina at mmumbi@agra.org
- If you are an entrepreneur looking for investors, please download the enterprise profile template [here](#) and email it to dealroom@agra.org
- If you are a government institution, the Agribusiness Dealroom is designed to help you attract new investors and engage with key stakeholders in line with your country's investment climate. For further information please email our Agribusiness Dealroom Lead, Mumbi Maina at mmumbi@agra.org

9.4 About AGRF

The African Green Revolution Forum was first held in 2006 as the African Green Revolution Conference (AGRC) and hosted by Yara International ASA in Norway. The conference moved to Africa in 2010, championed by the former UN Secretary General, Kofi Annan, who oversaw its transition to an African identity. The Forum now consists of an annual event combined with thematic platforms and activities throughout the year to ensure continuous progress over time. Rwanda is the second country, after Ghana, to host the event twice, having successfully hosted the 2018 edition. Consequently, Rwanda will host the event in alternate years, having been named the home of the AGRF seat. Other AGRF member countries will host the Forum in the years between. In its current format, the AGRF is organized by the AGRF Partners Group, a coalition of institutions that care about Africa's agricultural transformation.

9.5 About AGRA

Established in 2006, AGRA is an African-led, Africa-based and farmer-centered institution working to place smallholder farmers at the center of the continent's growing economy by transforming their farming from a solitary struggle to survive, into a business that thrives. Working in collaboration with our partners, among them; African governments, researchers, development partners, the private sector and civil society AGRA's work primarily focuses on smallholder farmers – men and women who typically cultivate staple crops on two hectares of land or less. AGRA has learned a lot from past efforts during its first decade and is now recognized across the continent as a strong voice for African rural development, a prosperous agricultural economy, and for supporting thousands of small African businesses and millions of African families to improve agriculture, enhance food security and improve their livelihoods. For more information, visit www.agra.org , <https://agrf.org/dealroom> , [Facebook](#) , [LinkedIn](#) and [YouTube](#).

9.6 AGRA's unique agriculture alliance

The Partnership for Inclusive Agricultural Transformation in Africa (PIATA) is a unique strategic alliance launched in 2017, that enables African agriculture actors to do business differently as they support leaders to drive an inclusive agricultural transformation. The innovative partnership drives integrated delivery within agro-economic zones and across value chains, as well as enhancing in-country coordination to leverage wider investments and deliberate engagement with the private sector to build sustainable systems that will transition agriculture from subsistence into a business that works. PIATA members include the Bill & Melinda Gates Foundation, the Rockefeller Foundation and the United States Agency for International Development (USAID) with the Alliance for a Green Revolution in Africa (AGRA) as the implementing partner through its alliance of partners. The UK Foreign, Commonwealth & Development Office (FCDO) recently joined the partnership and brings greater focus on regional food markets and food trade through policy predictability and market systems development. The Federal Ministry of Economic Cooperation and Development, BMZ, is currently a non-voting member and a resource partner, co-financing AGRA's strategy in Burkina Faso and Ghana.

