



# World Pulses Day

*#LovePulses* for healthy diets and planet

## Investments opportunities to grow youth and women owned agri-business

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BILL & MELINDA GATES foundation



# Investments opportunities to grow youth and women owned agri-business

- Aceli Africa is a donor funded organization with a mandate to bridge the gap between the supply and demand for capital in the agri-sector in KE, RW, UG and TZ.
- Aceli focus areas: (1) Financial incentives to lenders (2) Technical assistance to SMEs (3) Data & learning

## 1. Financial Incentives

- First loss cover – to increase lender risk appetite; Origination incentive – to increase return to lenders to compensate for additional costs of underwriting and managing small agri-loans
- 18 lenders accredited since September 2020 (commercial banks, social lenders, NBFIs).
  - The social lenders are more driven by impact rather than financial returns and are potential sources of funding, especially for women and youth led enterprises.
- Additional incentive (impact bonuses) which reward lenders for lending to high impact businesses.
  - Aim is to catalyze incremental lending to high impact SMEs (gender inclusive, climate smart and contribute to food security) – Aligns to PABRA's work
  - *Youth is an impact area that we are yet to include in our financial incentives, but are strongly considering.*



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## 2. Technical Assistance

- TA support to agri-SMEs is also critical to solve the access to finance puzzle.
- Through our TA programs, we set out to build the capacity of SMEs – to develop viable, sustainable business models and practices – to be able to access and deploy finance. Ultimately, there is no lender/ investor who will walk away from a good deal. Our TA is designed to help SMEs present the best deal possible.
- In line with our impact agenda, we are especially keen on working with youth and women-owned businesses to enhance their access to finance.
- Online application for the 2<sup>nd</sup> cohort of the Grow Your Agribusiness programme is now live.



# Thank you!

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