

# The only global multi-stakeholder network for agri-SME¹ finance

# Who we are

A **global community** of around 50 financial institutions, impact investors, farmers' organizations, technical assistance providers, industry platforms, donors and philanthropies, and specialized UN entities.

# Our value proposition

A dynamic, collectively owned space for partners to address strategic knowledge gaps, share learning, and identify opportunities to work together on transformative initiatives.

**Our vision** 

More inclusive and effective financial ecosystems that meet the needs of small and medium agri-entrepreneurs – women, men, and youth – empowering them to grow sustainable and resilient businesses.



# Why focus on agri-SME finance

### SMEs are the backbone of agri-food systems, as they:

- represent 90% of businesses in the agri-food sector
- create half the sector's economic value
- handle a large share of food processing in different regions
- are often at the forefront of innovations in digital connectivity, nutrition, and smallholder inclusion.

### Access to finance is a top challenge for agri-SMEs:

- There is a 100 billion dollar gap in SME finance in sub-Saharan Africa alone.
- Financial institutions and investors are held back by risk and by poor economics.
- Accessing finance is often more challenging for women entrepreneurs and SMEs with innovative business models.

According to the SAFIN/ISF Advisors taxonomy, agri-SMEs are profit-oriented enterprises with a capacity to service investments in the 50,000-2M dollar range.

# What we do

Fragmentation and poor coordination in the financial ecosystem are major obstacles to progress towards closing the finance gap for agri-SMEs.

As a network, we work to counter this fragmentation,

so that different actors can better **understand** each other and the needs of agri-SMEs, **focus** on the same strategic priorities, and **align** their efforts.

In our current phase (SAFIN2.0), which runs for 2021-25, we do this in **5 focus areas**.

OUR 5 FOCUS AREAS FOR SAFIN2.0



#### **CONVENE**

Bring the ecosystem together to build trust and mutual understanding



#### TRACK

Map out opportunities for innovative collaborations



#### **FOCUS**

Foster shared understanding of strategic issues and knowledge gaps for the future of agri-SME finance



#### **INFLUENCE**

Bring an agri-SME finance focus to country-led initiatives for private investment towards sustainable food systems



#### **CO-CREATE**

Align around effective financial solutions to emerging challenges in the sector

# What we plan to achieve by 2025

Between 2021 and 2025, partners will seek to increase the volume of agri-SME finance they deploy or mobilize, grow the pool of initiatives they undertake together, and continuously share knowledge and learning.

We will measure our success in terms of:

- Advanced shared understanding of strategic action areas in agri-SME finance
- Increased connectivity

   and new relationships formed across the network
- More collaborative projects to bridge the agri-SME finance gap

# Our achievements so far

- Investment opportunities and financing solutions in SME-dense value chains identified in Colombia, Dominican Republic, India, Jamaica, Nigeria, Uganda, and three countries in the Sahel
- Profile of the agenda of agri-SME finance raised in key international policy forums
- New learning and thought leadership developed on blended finance for agriculture
- Innovative partner-led investments and research profiled for dissemination and support
- Inclusive participation of agri-SMEs and farmers' organizations facilitated

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