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This newsletter provides information on the FAO project “AgrInvest – Enabling inclusive and efficient private sector investment in agri-food systems” (AgrInvest-FS). The newsletter is a core tool for sharing knowledge among members of the project.

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WELCOME

Welcome to the fifth issue of AgrInvest-FS Project News, a quarterly newsletter to keep you updated on the project. AgrInvest-FS aims to attract private investments into agri-food systems aligned with the Sustainable Development Goals (SDGs) by leveraging public funds.

This newsletter will share information and knowledge about the project, through several different features, such as: results and achievements; alerts for new publications; success stories; messages from the team; upcoming events; links to project videos and photos; links to online discussions; and much more.

In this issue you will find:

1. An article on our latest workshop in Burkina Faso;
2. Insights from the newly released publication on the onion value chain in Niger;
3. A story from the field in Kenya;
4. News about our collaboration with IFAD;
5. Announcements of our upcoming events in Ethiopia and Niger;
6. Season’s Greetings from AgrInvest-FS!

Now read on ...

The AgrInvest-FS team

1. Increasing the bankability of rice entrepreneurs in Burkina Faso

In early November 2021, the AgrInvest-FS project organized a two-day training event on participatory business planning for rice entrepreneurs using FAO’s *RuralInvest* “toolkit” in Dédougou, Burkina Faso.

The need to build the capacity of smaller actors engaged in the rice sector in terms of business management emerged as one of the main barriers to mobilizing financing in the value chain analysis developed by the AgrInvest-SA project.

FAO’s *RuralInvest* toolkit facilitates the identification, preparation, ex-ante analysis, monitoring and evaluation of the impact of small- to medium-scale investment projects, whether revenue generating or not, and the development of businesses in rural areas.



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Participants attending the workshop in Dédougou, Burkina Faso.



In this way, the project has provided small agribusinesses with the necessary support to prepare investment proposals for financing in Burkina Faso. The tool will be used to extract project information on agricultural initiatives and will aid the efficient development of detailed business plans for the rice sector.

In order to comply with the safety measures to contain the COVID-19 pandemic, the number of participants attending the event was limited.

The workshop was attended by 25 participants representing: the General Directorate of the Ministry of Agriculture of the Boucle du Mouhoun region; targeted rice sector entrepreneurs; the Chinese-Burkinabè agricultural cooperation programme (PCA/CH-BF); and FAO.

The workshop served not only as a venue to build the capacity of rice entrepreneurs to develop bankable business plans, but also for the presentation of the results of the assessment of the rice value chain developed under AgrInvest-FS, which will be published in January 2022.

2. Increasing sustainable investments in the Nigerian onion chain

As a result of a partnership with ECDPM, the project has just published its second value chain assessment, targeting the conserved onion value chain in Niger. This document is part of a set of five publications which have been released under AgrInvest-FS, assessing different value chains in Burkina Faso, Ethiopia, Kenya and Niger. This report builds on FAO-ECDPM's food system assessment report for Niger developed under the AgrInvest-FS project, which is available online at: <https://www.fao.org/3/cb3742fr/cb3742fr.pdf>.

The onion value chain, and more specifically conserved products, was selected due to its investment potential, favourable political economic position and ability to contribute to wider food system sustainability.

Conservation onions are grown to last longer and in Niger they are conserved following traditional methods which are considered environmentally sustainable: limited or no use of chemical fertilisers and pesticides, and moderate water usage (especially towards the end of the production cycle).

These onions have a longer shelf life when stored in adapted warehouses, thus allowing farmers to sell their products when market prices are more attractive.

A *warehouse receipt system* (WRS) would enable farmers to deposit storable goods in exchange for a warehouse receipt (WR). A WR is a document issued by warehouse operators as evidence that specified commodities of stated quantity and quality have been deposited at a particular location.

A reliable storage system and an assured market with favourable prices could benefit farmers by sustainably increasing their livelihoods and income levels.

However, according to the study, in order to make this system work, producers need liquidity at harvest time, through credit, while waiting to sell their onion crop later.

Download the full study here:

<https://www.fao.org/3/cb6908fr/cb6908fr.pdf>

3. Supporting market development of women-led organizations in Kenya

In Kenya, the project identified African indigenous vegetables as a promising value chain to unlock sustainable investments thanks to their high potential in contributing to food and nutrition security as well as creating rural employment especially for women and youth. For this reason, in Kenya, AgrInvest-FS is supporting the *Nyamira North Women SACCO*, a women-led Savings and Credit Cooperative Organization (SACCO) to grow and sell indigenous vegetables to a private



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food enterprise, *Mace Foods*, establishing formal contractual arrangements. *Mace Foods* is a processing company based in the Nyamira County that sources indigenous vegetables, dehydrates the products and sells them in both local and international markets.

The project facilitated the establishment of contractual agreements between Mace Foods and the *Nyamira North Women SACCO*. Since the formalization of the partnership, the SACCO has delivered a weekly average of 500 kg of products, totalling 18.5 tons so far valued at KES 1 000 000. The SACCO has gone ahead and delivered other indigenous vegetables outside the contract like Kunde (Cowpeas), Managu (Black Nightshade) and Dodo (Common Amaranth) worth KES 220 800. *Mace Foods* have reached out to the SACCO to supplement these supplies when they experienced shortages from their other regular suppliers.



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Indigenous Vegetables producer from the Nyamira North Women SACCO, a women-led Savings and Credit Cooperative Organization (SACCO) in Kenya

AgrInvest-FS in partnership with Nyamira County Government is supporting the women-based organization to achieve consistent supply by ensuring there is adequate planning of production schedules and good agronomic practices. The project is also supporting the SACCO to mobilize funds to acquire cold storage facilities that will go a long way towards improving the quality and quantity of the vegetables sold.

4. FAO and PARM (Platform for Agricultural Risk Management coordinated by IFAD) collaborate to mainstream agricultural risk management in Africa

Through the AgrInvest-FS Project and other related initiatives, FAO is promoting innovative blended financing mechanisms to de-risk investments in sustainable food systems. FAO intends to create a proof of concept of a blended finance approach that increases access of small farmers and MSMEs (micro, small and medium enterprises) to finance and enhance investments in the dairy value chain, creating jobs for women and youth.

As a result of a food systems assessment, various national multi-stakeholder processes and the above-mentioned value chain analysis, in Ethiopia, the project is providing technical support to dairy agribusinesses. It is doing so by building on the experience of the IFAD's work on agricultural risk management (ARM) in the dairy sector.

In December 2013, IFAD launched the Platform for Agricultural Risk Management (PARM) to make risk management an integral part of policy planning and implementation in the agricultural sector in selected developing countries. Since 2014, PARM has been working in Ethiopia to facilitate the integration of ARM into Ethiopia's National Agriculture and Food Security Investment Plan and related development programmes.



Leveraging on PARM's long-standing experience in the country and its tested methodology, FAO and IFAD will work together to provide awareness and capacity development services on ARM to decision makers and senior experts of relevant organizations engaged in dairy value chain activities. These organizations have direct contact with the target beneficiaries of the dairy value chain such as farmers/farmers' groups, traders, processors, financiers, input dealers, and service providers.

This collaboration will start with the organization of two training workshops which will take place in Ethiopia throughout the month of December 2021 in Debre Birhan (Amhara region) and in Adama (Oromia region).

The same approach will be tested in Niger, through the organization of training for dairy value chain actors and financial institutions to be run in December 2021 and January 2022.

5. Upcoming events

Ethiopia: Organization of a series of training sessions on ARM with PARM for dairy value chain actors, December 2021.

Niger: Organization of a series of training sessions on ARM with PARM for dairy value chain actors and financial institutions, December 2021 and January 2022.

Kenya: Aquaculture Investment Summit, December 2021.

6. Season's Greetings from the AgrInvest Food Systems Project Team

As 2021 comes to an end, we wish all our stakeholders a festive and peaceful holiday season.

See you in 2022!

Project activities will continue until June 2022! We'll get back to you early next year with more news on the project. In the meantime, happy holiday season from all of us at AgrInvest-FS!

The AgrInvest Food Systems Project Team



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For more information visit:

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