

from the Practitioner Hub



MARCH 2015 In partnership with Business Call to Action

Inclusive Agribusiness

Despite increasing demand for their agricultural produce, the income and growth opportunities for smallholder farmers continue to be limited. There are some inclusive businesses that are working hard to change that, including many Business Call to Action (BCtA) companies.

INCLUSIVE BUSINESS

This month we partner with BCtA to bring you a series of resources on the latest innovations in inclusive agribusiness, including blogs and interviews by leading practitioners. As one entrepreneur puts it, these are inspiring examples of "<u>a new</u> <u>generation of food companies taking a stand for something better</u>". The Guest Editor for this series is Tom Harrison, an expert on inclusive agriculture and partnerships and a key contributor to the 2014 BCtA report '<u>Breaking Through</u>'.



Sambazon sources acai berries from smallholders in the Amazon delta



Yara International: Working with smallholders in Tanzania



One of Juhudi Kilimo's clients in Kenya

- BCtA Agribusinesses and the Smallholder Farmer: There are 21 businesses in the BCtA portfolio that use innovative strategies to engage smallholder farmers in the supply chain. Tom Harrison gives us an <u>insight into exactly how these agri-businesses are helping millions at the BOP</u>. Tatiana Bessarabova, meanwhile, takes a <u>closer look at the business models of three companies</u> operating on three different continents.
- Using business to promote positive socio-economic change: BCtA member Sambazon Acai is a leading example of a sustainable inclusive agri-business.
 <u>CEO Ryan Black's blog explains</u> how they created a sustainable supply chain in the Amazon rainforest, built demand for an unknown product and grew into a successful global business. L'OCCITANE EN PROVENCE has built its business by working in mutually beneficial partnership with small producers, not least women shea collectors in Burkina Faso, as <u>described in a new interview</u>.
- Holistic approach to smallholder agriculture: A clear smallholder strategy and developing local partnerships are seen as key success factors for Yara International, a fertilizer company committed to inclusive growth in Africa. Oystein Botillen introduces their smallholder approach in his blog while William Ngeno delves into 'The how and why of agricultural partnerships'. A different strategy being used successfully by an agricultural inputs company is described in another new interview: BASF's Samruddhi initiative is providing smallholder farmers in India with demonstrations and advice on the benefits of using chemicals to improve yields.
- <u>Progress of Grow Africa</u>: Since its inception in 2011, Grow Africa has established itself as a trusted platform for increasing responsible, sustainable and inclusive private sector investment in African agriculture. Frances Bell introduces Grow Africa and their most recent progress report.
- <u>Catalyzing smallholder finance:</u> In 2012, a report by Dalberg found that the estimated global demand for smallholder financing was \$450bn, while the supply was a mere \$10-20bn. This led to the creation of the Initiative for Smallholder Finance and many steps in the direction of shrinking the gap. Tom Carroll, Director of the Initiative for Smallholder Finance, provides an update.



Agribusiness on the Hub

If you're looking to improve your smallholder engagement, want to know how to get your agri-business model right, or are simply interested in learning more about the practicalities of inclusive agri-

- <u>More than just finance</u>: Juhudi Kilimo is helping close the financing gap in Kenya by providing asset financing to smallholder farmers but it is also providing long term, context specific support to its clients to ensure enduring success. Juhudi's Kulsoom Ally tells us about the company's innovative approach.
- <u>The 'inclusive business' of agriculture mobile money</u>: Although mobile payment systems are rampant in urban centres, they are yet to take off in rural areas because of the challenges involved. In his blog, Lee Babcock advocates mobile money as a cost-effective, transparent form of finance and discusses how best it can be inserted into the agricultural value chain.
- <u>Opportunity for unexplored growth in Mexico</u>: One of the biggest constraints to inclusive agriculture in Mexico is that 70% of farmers have no access to formal markets. Ashoka Mexico's Lourdes Zamanillo explores the potential for inclusive strategies to transform the sector.
- EDITOR'S CHOICE <u>'Growing Prosperity: Developing Repeatable Models to Scale the</u> <u>Adoption'</u>. For his first Editor's Choice, Tom has chosen this publication from Acumen and Bain. The report suggests what is needed to spur the large-scale adoption of agricultural innovations among smallholder farmers.

OTHER NEWS ON THE HUB

- <u>"We make inclusive business happen at scale!</u>": Our new partners, the Inclusive Business Accelerator, aim to connect inclusive businesses, investors and mentors through an online platform, via local offices in developing countries and through a global network that provides IB advisory services. Learn more about their ambitious plans in this interview.
- <u>Challenges of micro-retailers in frontier markets</u>: Tielman Nieuwoudt from the Supply Chain Lab writes a very useful summary of the issues to consider while working with micro-retailers at the BoP.
- <u>Tracking impact and beneficiaries: In the field with Shujog</u>: Shujog's Macey Tan explains how they work with organisations to measure and amplify their impact.
- <u>Boosting knowledge transfer in the RMG Sector in Bangladesh</u>: Do you work in the garment sector in Bangladesh? If so, the UpSkill platform from GreenGrade is a great tool to use.
- <u>ASME Ishow: A global competition for hardware-led social innovation</u>: Trying to take physical products to market? Apply to the ASME Ishow to win a share of \$500K in prizes and access to a design & engineering review by industry experts.
- <u>SPRING Accelerator in Kenya, Rwanda, Uganda Last week to apply</u>: The SPRING Accelerator is seeking inclusive businesses that are benefiting the lives of girls at the BoP. Apply before the 16th of March.



Mushroom Blue: A venture featured on the IB Accelerator platform



Last week for the SPRING Accelerator!

Our official domain name is now <u>www.inclusivebusinesshub.org</u>, you will still be able to access the Hub through <u>www.businessinnovationfacility.org</u> but only for a few more weeks...so save our new address!

The Practitioner Hub is sponsored by <u>Ashley Insight</u>. We welcome feedback on our publications – please contact us at enquiries@inclusivebusinesshub.org