



Increasing access to private sector finance to NARS to drive Agricultural Innovation in Africa: ASARECA's perspective

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ASARECA's Mandate

ASARECA is an **Inter-Governmental Organization** of National Agricultural Research Systems (NARS) of 15 countries in Eastern and Central Africa established in 1994 by Member States.

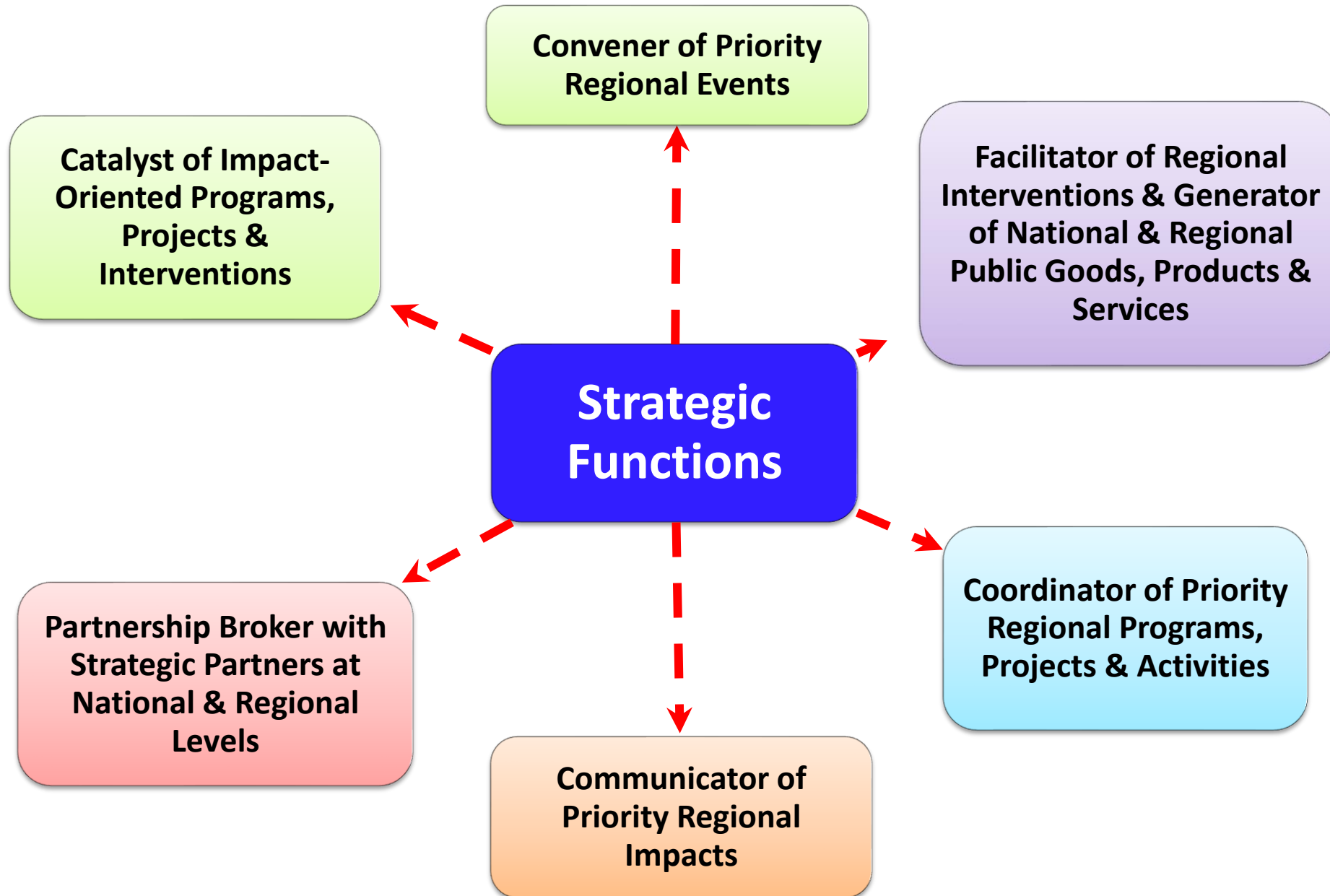


Vision

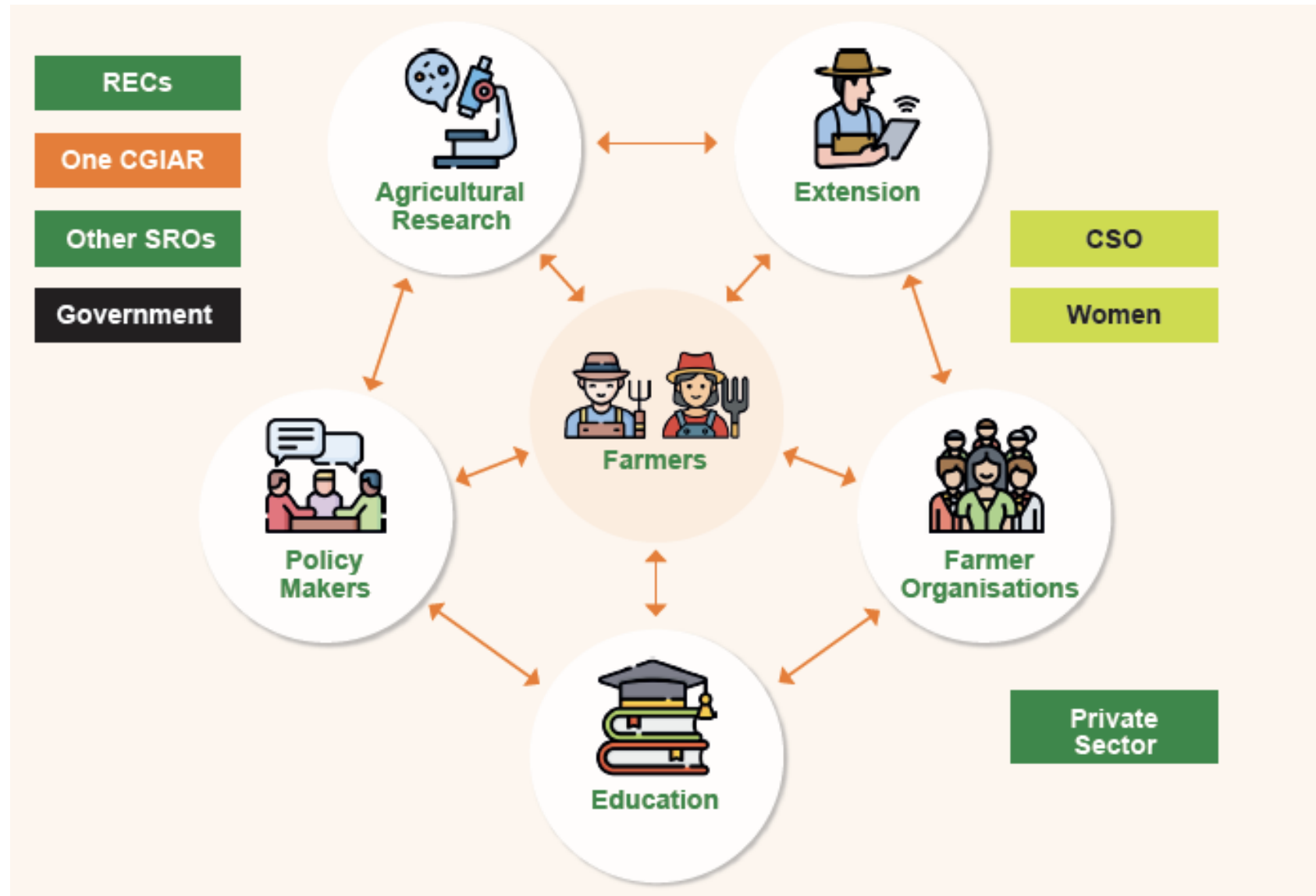
A transformed regional agricultural sector supporting **improved livelihoods**, sustained economic growth and **inclusive development**.

Mission

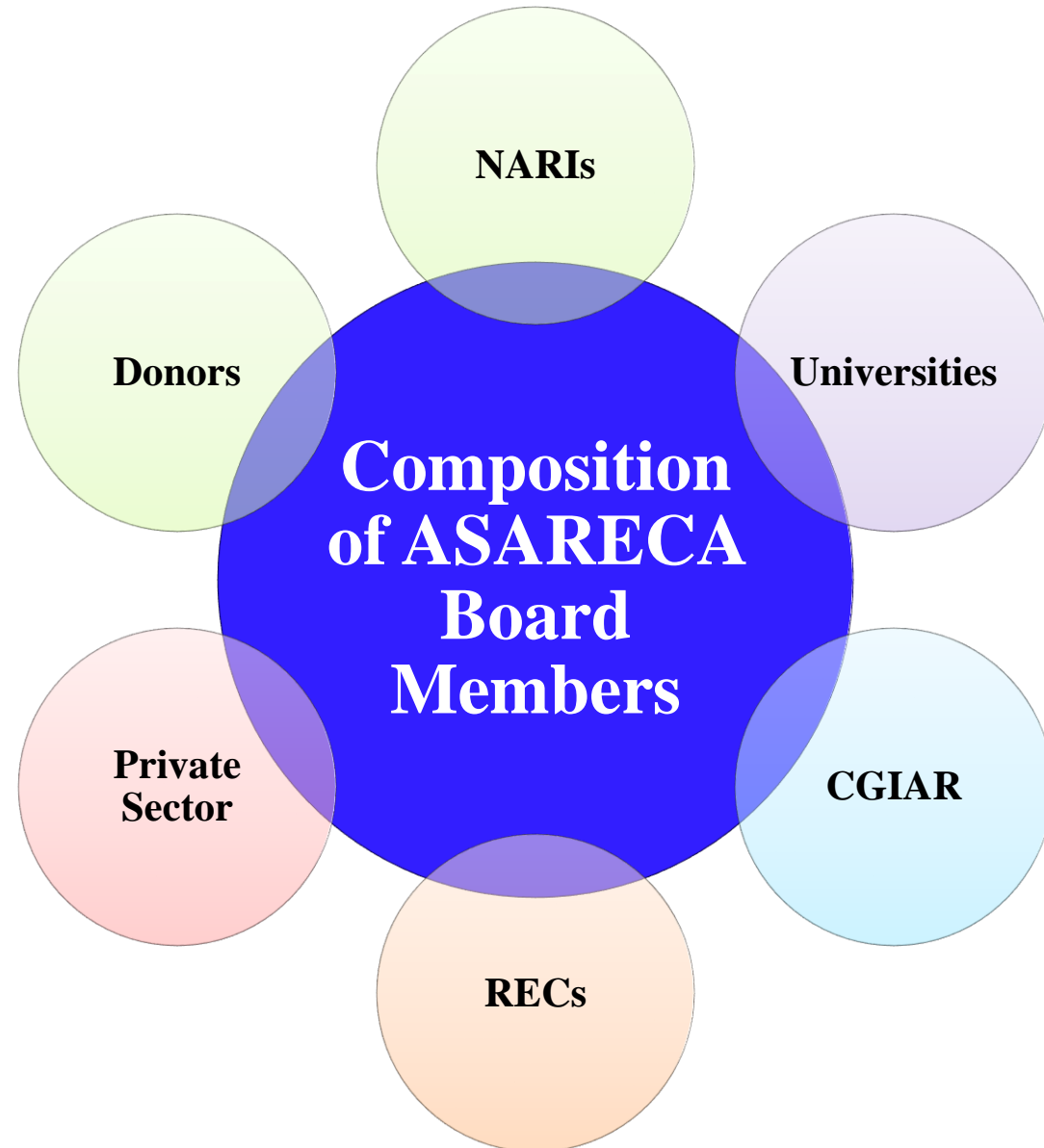
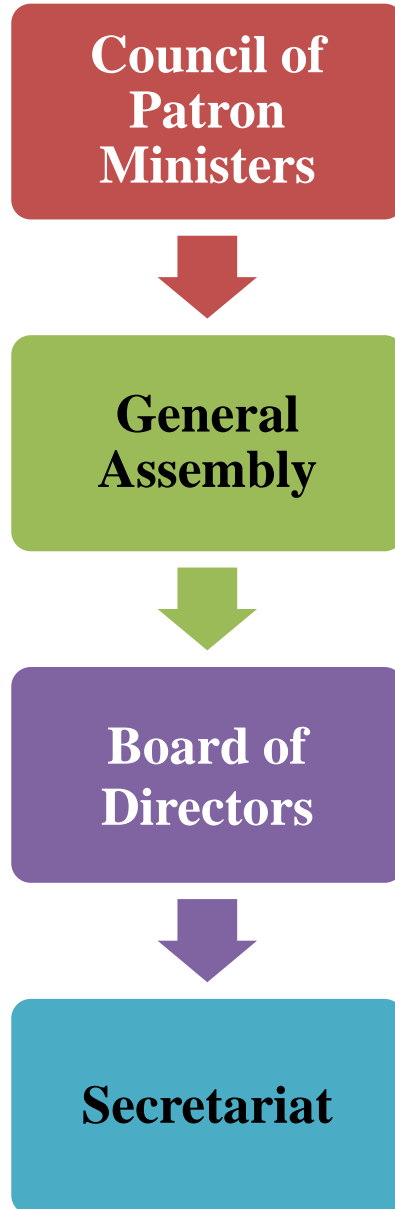
To contribute to increased **productivity**, **commercialization** and **competitiveness** of the regional agricultural sector and sustained food systems through strengthening, supporting and coordinating AR4D in the region.



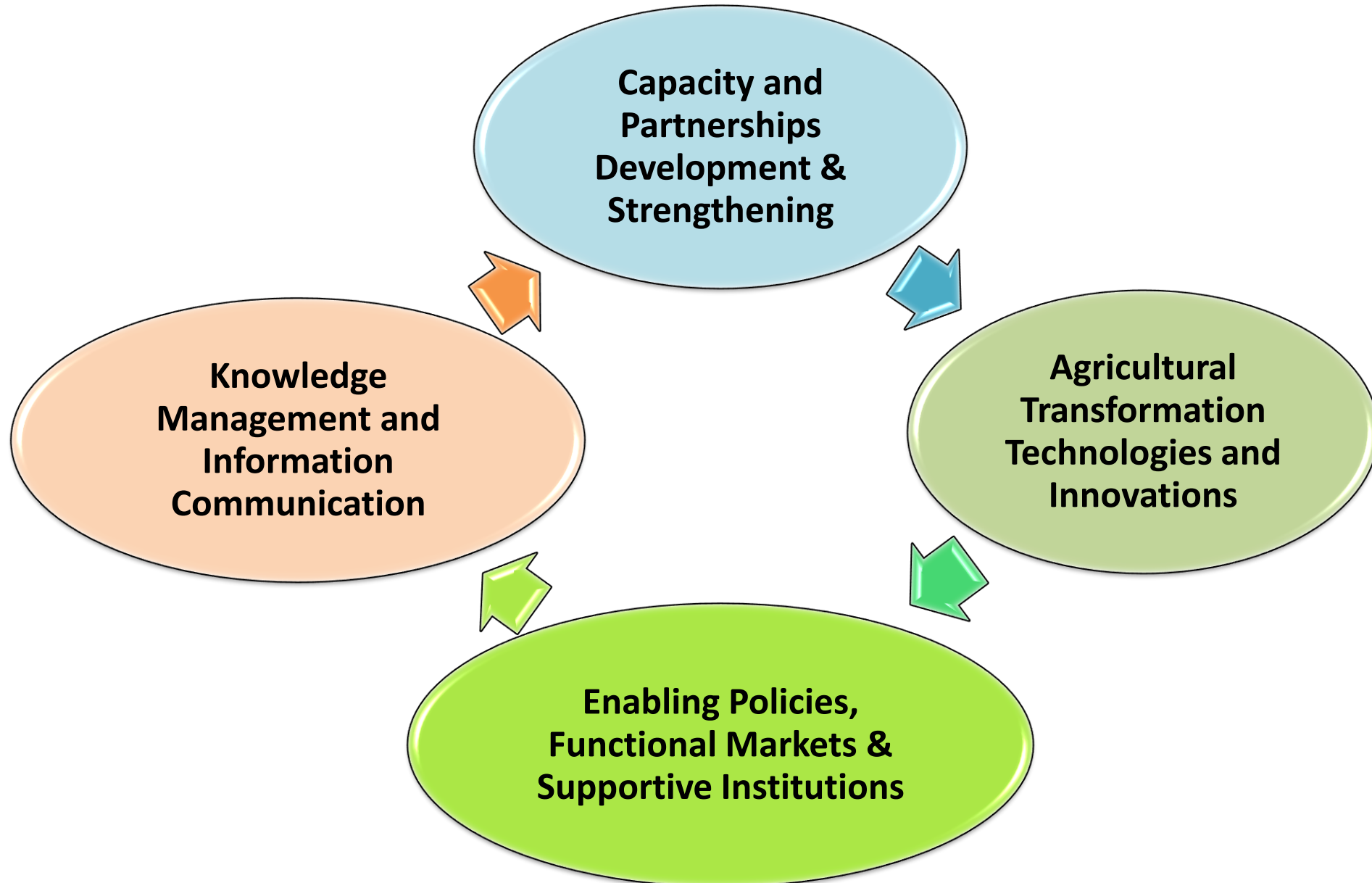
ASARECA's Key Stakeholders



ASARECA Governance Organs



Thematic Areas of Focus



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- ❑ **ASARECA Regional Priority Projects (A-RPPs):** ASARECA conducts proposal write shops with member countries to develop regional priority projects. Current proposals open to funding opportunities are focusing aflatoxin control, promoting adoption of technologies, biofortification and seed systems.
- ❑ **ASARECA Climate Smart Agriculture Alliance (A-CSAA):** A platform for advocacy of CSA technology delivery in the 15 ASARECA Member Countries and beyond. In 2022, the Forum identified 141 CSA Technologies for commercialization & scaling in the Region.
- ❑ **Strategic partnerships for Resource Mobilisation: GGGI and Non-Profit Builder support to** capacity building of staff in resource mobilization, supporting ASARECA in developing concept notes and proposals, gap assessment for GCF accreditation, developing a case for support, and developing a donor prospecting matrix.

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- ❑ **Regional Centres of Excellence:** Under the **East African Agricultural Productivity Programme (EAAPP)**, **ASARECA** established Regional Centres of Excellence (RCoEs) for agricultural research by investing in commodities of sub-regional importance to mitigate food insecurity. The centres are a medium for dissemination and Promotion of Agricultural technologies. Activities in the CoE include trainings and Bench Marking/ exchange visits for stakeholders including private sector actors to foster exchange of knowledge, skills, trade and exchange of germplasm across borders.
- ❑ **Enhancing the enabling environment for participation of the private sector actors in the AR4D interventions.** This can be achieved through advocating for policy reforms and regulatory changes that create an enabling environment for private sector investment in agricultural research and innovation. ASARECA engages with policymakers, government agencies, and other stakeholders to advocate for incentives, subsidies, tax breaks, and other measures that encourage private sector participation in agricultural R&D.

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- ❑ **Brokerage and Networking:** ASARECA acts as a broker, connecting NARS institutions with potential private sector investors through organizing networking events, investment forums, and matchmaking sessions where NARS researchers can showcase their innovations and projects to private sector representatives.
- ❑ **Organizing private sector dialogues:** On commercialization of technologies and innovations to attract private financing on scaling of agricultural technologies (private sector partners will invest in commercialization activities such as seed multiplication, and agro-processing/value addition).
- ❑ **Capacity-building:** Support to NARS institutions to enhance their understanding of private sector financing mechanisms and improve their ability to engage with potential private sector investors. This includes implementing training programs on project development, financial management, and technology commercialization to empower NARS to effectively articulate their research priorities and attract private sector funding.

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- ❑ **Engaging the private sector actors in R&D priority setting** to identify regional and national AR4D priorities for agricultural innovation that are of interest to the private sector. Aligning with the interests of the private sector, enables the NARS to attract financing from private sector entities.
- ❑ **Engaging private sector actors in scaling of technologies** with a business case. Private sector actors are profit driven and will invest in scaling of technologies and innovations that have potential to generate profits. This in turn will catalyze adoption/uptake of technologies and drive agricultural innovation.
- ❑ **Linking NARS actors to private sector led funding institutions like MFIs** for low interest loans and equity financing to increase access to private finance for agricultural innovations

Increasing Access to Financing by Private Sector



- ❑ **Financial Inclusion:** Expand financial services to rural populations through mobile banking, microfinance and agent banking.
- ❑ **Credit Access:** Improve credit scoring, collateral registries, and credit reporting to facilitate lending.
- ❑ **Entrepreneurship Support:** Provide training, mentorship, and incubation programs for entrepreneurs.
- ❑ **Access to Capital Markets:** Develop stock exchanges, bond markets, and venture capital funds.
- ❑ **Risk Management:** Offer risk mitigation instruments like guarantees, insurance, and hedging products.
- ❑ **Regulatory Reform:** Simplify and streamline regulatory processes to reduce costs and barriers.
- ❑ **Financial Literacy:** Educate businesses and individuals on financial management and planning.
- ❑ **Access to Technology:** Leverage fintech innovations like blockchain, mobile payments, and digital lending platforms.

Increasing Access to Financing by Private Sector



- ❑ **Public-Private Partnerships:** Collaborate with governments, donors, and NGOs to mobilize funding and expertise.
- ❑ **Capacity Building:** Strengthen financial institutions' capacity to lend and manage risks.

Merci pour votre attention
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