Agribusiness Deal Room at the AGRF 2020 Report
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About the Agribusiness Deal Room

The Agribusiness Deal Room is a year-round matchmaking platform at the African Green Revolution Forum (AGRF) with the aim of catalyzing new business deals, partnerships and commitments. It hosts agribusinesses on the continent, providing an investable pipeline to a wide range of investors. In addition to access to finance, it also provides companies in the agriculture and agribusiness sectors with mentorship, partnership and market entry solutions to support their growth objectives. The Agribusiness Deal Room also positions governments to present investment opportunities, promote investment incentives and engage with interested investors and other stakeholders.

The Agribusiness Deal Room supports enterprises and governments through a combination of in-country project preparation, pipeline development, project bankability, investment promotion, and an enabling policy environment. The Agribusiness Deal Room facilitates substantive transaction-centered dialogue and connections amongst key stakeholders including enterprises, farmers, governments, investors, financial institutions, NGOs and development partners. Deal Room activities are year-round and driven by eight main and interrelated components.

Since its launch in 2018, the Deal Room has facilitated over 400 companies with targeted investor matchmaking. It also supported 17 governments with investor engagements. Over the last three years, the Deal Room has facilitated public and private actors who jointly sought an aggregate capital of US$ 11 billion.

The introduction of the virtual Agribusiness Deal Room platform added significant momentum, attracting over 3,600 delegates at the 2020 AGRF. The 24-hour networking platform allowed the various actors to interact, engage and extend discussions on bi-lateral and multi-lateral partnerships. The Agribusiness Deal Room platform hosted over 800 bi-lateral and multi-lateral meetings on its virtual platform and the forum continues to secure its position as a prime convener for investments and opportunities. In its three-year journey the Deal Room has demonstrated consistent growth and reach as it continues to deliver value to different constituents.
The main Agribusiness Deal Room components targeted at strengthening Africa’s agricultural private sector

1. **SME Matchmaking**
   Meetings between SMEs and investors seeking a wide range of capital investments (from US$100k to US$50M).

2. **Country Presentations**
   Opportunities for governments to generate investor interest and engage with key stakeholders.

3. **Sourcing in Africa**
   Platform for SMEs and farmer organizations to connect with anchor buyers and traders. Opportunity to build partnerships and promote programs that address value chain challenges.

4. **Knowledge Programme**
   Expert presentations and panels, knowledge sharing sessions and pitches.

5. **Enabling Environment and Investment Dialogues**
   Public-private problem-solving roundtables to address bottlenecks for selected deals.

6. **Platform of Partners**
   AGRF and technical partners supporting design and delivery of the Deal Room.

7. **Virtual Platform**
   A year-round on-line infrastructure enabling stakeholders to exchange information, profile opportunities and identify common interests.

8. **Year-round Portfolio and Transaction Follow Up**
   A mechanism that will follow up on transactions post-AGRF and potentially offer transaction advisory services.
Africa’s agricultural transformation requires a USD $400 billion coordinated fundraising effort

AGRA estimates the total cost of agricultural transformation for Africa’s priority commodities and agroecological zones at US$400 billion for the next decade. Currently the agriculture sector faces a gap of at least US$ 23 billion in public and private investments each year.

Transforming Africa’s food production and achieving the SDGs calls for bold and innovative business and investment models, as well as decisive shifts in national priorities. This raises the urgency for increased government spending as well as fundraising on the part of multilateral and bilateral institutions. Most critically we need to intensify our collaborative efforts to mobilize private sector investments into every part of the value chain. This calls for supportive financial mechanisms such as patient capital, blended finance and seed funding. It also requires partnership efforts to ensure that these investments materialize and that they are profitable, inclusive and sustainable.

Vanessa Adams
Vice President, Strategic Partnerships & Chief of Party
AGRA
The Deal Room journey

Agribusiness Deal Room has so far facilitated engagement on US$ 12.1 billion of public and private investment capital.

<table>
<thead>
<tr>
<th>Deal Room</th>
<th>2018 Kigali</th>
<th>2019 Accra</th>
<th>2020 Virtual</th>
</tr>
</thead>
<tbody>
<tr>
<td>Total no. of participants</td>
<td>250</td>
<td>500</td>
<td>3600</td>
</tr>
<tr>
<td>Successful meetings and connections made during AGRF</td>
<td>58</td>
<td>500</td>
<td>800+</td>
</tr>
<tr>
<td>Capital seekers (SMEs)</td>
<td>16</td>
<td>117</td>
<td>700+</td>
</tr>
<tr>
<td>Amount in US$ million being sought by SMEs</td>
<td>35 mn</td>
<td>804 mn</td>
<td>600+ mn</td>
</tr>
<tr>
<td>Amount in US$ million in transaction pipeline post matchmaking</td>
<td>455 mn</td>
<td>329 mn</td>
<td></td>
</tr>
<tr>
<td>SME preparation</td>
<td>2 SME preparatory webinars</td>
<td></td>
<td></td>
</tr>
<tr>
<td>Capital providers (investors)</td>
<td>10</td>
<td>50+</td>
<td>312</td>
</tr>
<tr>
<td>Governments and government agency participation</td>
<td>8</td>
<td>17</td>
<td>16</td>
</tr>
<tr>
<td>Amount in US $ billion being sought by governments</td>
<td>250mn</td>
<td>2 bn</td>
<td>7.8 bn</td>
</tr>
<tr>
<td>Technology development</td>
<td></td>
<td>Virtual platform launched</td>
<td></td>
</tr>
</tbody>
</table>

“Over the past 3 years, the Deal Room has shown its value addition potential, becoming an important space for identifying new investment opportunities and partnerships. Driven by our belief in Africa’s agribusiness potential which could grow into a US$ 1-trillion industry in the next ten years, we are championing innovative and inclusive financial solutions particularly for women, youth and SMEs. IFAD applauds the AGRF and remains committed to promoting African agribusiness and facilitating partnerships that benefit smallscale producers and the private sector alike.”

Gilbert F. Houngbo, President of IFAD
Message from Dr. Agnes Kalibata
President, AGRA

When we designed the Deal Room we envisioned an inclusive eco-system marketplace that would connect critical actors in African agribusiness, specifically SMEs and their governments, to financiers, investors and other relevant partners. Our main aim was to catalyze the mobilization of capital, trade deals, commitments and transformative partnerships.

As the Deal Room completes its third annual cycle, it is my pleasure to report that we have delivered and are on track for greater momentum.

Leveraging the strength of the AGRF, Africa's premium Agriculture event, the Agribusiness Deal Room 2020 presented the largest convening since its inception. Over 3,600 delegates from over 91 countries across the globe discussed aggregated capital needs of USD 7.2 billion.

The marketplace in the Deal Room has grown into an accumulation of programs, investment pipelines and activities from hundreds of companies and dozens of strategic partners and governments. In presenting a unique convergence of critical stakeholders, the platform drives imperatives, including the promotion of increased local sourcing from African farmers and African SMEs; investments into African government flagship opportunities and sustained dialogues that create an enabling environment for the actors to operate in.

None of this would have been possible without a partnership of like-minded actors, pooling together resources and aligning strategies to ensure that our journey towards transformation is one that is efficient and can deliver at scale.

I would like to express my gratitude to the lead actors who made this happen; namely the Deal Room partners and their co-chairs, the AGRA country managers, the AGRF secretariat and the AGRF partners group.

I also extend my gratitude to the government delegations and hundreds of enterprises that actively engaged in the preparation and delivery of the Agribusiness Deal Room and are eagerly following up on relevant engagements.

The Deal Room is a year-round matchmaking process. It will continue to demonstrate the shared commitment of Government, private sector and development partners towards transforming the African agricultural sector into a sustainable and inclusive contributor to the continent’s economies as well as becoming a formidable player in the global markets.
The Agribusiness Deal Room has proven to be an excellent platform for engaging the business community, accelerating private investments in agriculture, and cultivating partnerships among stakeholders in the agriculture space.

Rwanda takes pride in the preparation, launch and coordination of the Deal Room events of 2018 through to 2020, in collaboration with the AGRF, AGRA and our mutual partners. We, and many other African governments, have taken advantage of the sessions to promote and increase the visibility of the agriculture sector while creating opportunities for SMEs to interact with investors, finance and development partners as well as other key players in the agriculture space.

Agriculture in Rwanda is a significant contributor to the economy, and the Government is committed to boosting the sector by investing in infrastructure, implementing institutional reforms, supporting extension services and inclusive markets. We recognize the pivotal role of the private sector in the overall agricultural transformation process, and will continue to create an enabling environment for the success of the private sector. More importantly, Rwanda’s business climate continues to be favourable to investors by offering profitability, stability and predictability.

The Deal Room continues to be an important and strategic platform for achieving agricultural transformation, and I reaffirm the commitment of the Government of Rwanda to sustain and support the activities of the Agribusiness Deal Room.

We look forward to Deal Room 2021, and to welcoming participants across the government, agribusiness and finance landscape.
USAID is thankful to have played a role in setting up the Agribusiness Deal Room and in serving as a Co-Chair in 2020. The Deal Room represents the type of collaborative effort and innovative thinking needed to accelerate the quality and pace of investment that will drive transformation in Africa and make African economies more resilient to shocks like COVID-19. The Deal Room is a critical platform for SMEs, investors, governments, and strategic partners to build relationships, share information, and to influence trade and investment policy as well as the business enabling environment. USAID expects the Deal Room to play a transformative role by facilitating substantive dialogue, connections, and the deals that drive inclusive agricultural transformation and sustainable food systems that seek to end hunger, poverty, and malnutrition on the African continent.

Jim Barnhart  
Assistant to the Administrator -  
Bureau for Resilience and Food Security  
and Deputy Coordinator - Feed the Future,  
U.S. Agency for International Development (USAID)

The Agribusiness Deal Room offers a unique meeting point for a number of key conversation and collaboration threads in the investment ecosystem for African agriculture. Its value lies in simultaneously providing governments with a curated forum to present investment priorities and plans; agri-SMEs and investors with a facilitated platform for mutual discovery and “match-making”; corporates and development partners with an opportunity to advance the agenda of local sourcing; and many other actors with the space to share cutting-edge knowledge and experience. Going forward, continuing to weave together these and other components of the Deal Room and of the broader African Green Revolution Forum will be critical for delivery on the full potential of this space. The International Fund for Agricultural Development is honoured to co-chair the Deal Room Working Group under the Forum and will continue to support it in this process and in its contribution to ecosystem development.

Bettina Prato  
Senior Coordinator for the Smallholder  
and Agri-SME Finance and Investment Network (SAFIN)
In order to transform agriculture in Africa we must attract more inclusive investments. We also have to improve the delivery of our business models and partnership platforms. The Agribusiness Deal Room at the AGRF is a critical catalyst in achieving the investment and growth objectives of thousands of African SMEs, businesses, governments and their partners. As AGRA, we are excited to play a leading role in this eco-system effort and want to ensure that the continent-wide investment mobilization process is inclusive and creates sustainable opportunities for farmers and rural communities. We are committed to leverage our local footprint and engagement with governments, thousands of African SMEs and local partners to promote and materialize agriculture investments and a stronger investment environment across the continent. AGRA will continue to drive partnerships, such as the Deal Room, to catalyze transformation at scale.

**Jennifer Baarn**  
*Head of Partnerships*  
*Alliance for a Green Revolution in Africa (AGRA)*
Acknowledgement of Our Partners

The Agribusiness Deal Room is delivered under one of the 11 thematic platforms of the African Green Revolution Forum. It is co-chaired by USAID, AGRA and IFAD who are leading a coalition of twenty committed partners.

The Agribusiness Deal Room wishes to thank the Government of Rwanda for hosting the Agribusiness Deal Room at the virtual AGRF 2020. It also recognizes its core partners who contributed immensely to the success of the Deal Room.

Agribusiness Deal Room Partners

Co-Chairs

Hosts

Partners
Agribusiness Deal Room Highlights

- **3,600** Delegates registered
- **91** countries
- **2,000+** Institutions
- **700** SMEs
- **31** Government Institutions
- **312** Capital Providers
- **166** Business Development Service Providers
- **55** Anchor buyers
- **23** Knowledge sessions
- **$300 m +** commitments announced
A snapshot of the 2020 Agribusiness Deal Room

The 2020 Agribusiness Deal Room presented the largest convening in its three-year history, attracting more than 3,600 delegates from 91 countries around the world. Participants represented more than 700 SMEs, 31 governments and over 312 capital providers. Capital providers included institutional investors, impact investors, venture funds, development finance institutions and conventional financial institutions. The Deal Room also saw a strong representation of anchor buyers and business development partners seeking trade deals and service arrangements with SMEs.

The convening of ecosystem actors delivered a vibrant platform, with over 30 plenary sessions and 800 bilateral meetings. African governments and COMESA presented national investment opportunities and shared their commitments to facilitate a positive investor climate. Investment opportunities in the Deal Room presented a total of US$ 7.2 billion of capital needs. Post event surveys indicated that an overwhelming majority of Deal Room participants underscored the value of the Deal Room and encouraged year-round engagement.

Key commitments and announcements made

The Agribusiness Deal Room also reflected the ongoing efforts by various partners throughout the year that culminated in major sector announcements of new initiatives, investments as well as renewed and expanded successful partnerships. They include: AGRA’s renewed agreements to partner with Microsoft Africa, Africa Improved Food and with the OCP Group that witnessed the signing of three Letters of Intent; UPL’s announcement of the launch of a major rice initiative in West Africa to impact 10% of all rice acres in the region; IDH the sustainable trade initiative announced that Unilever had spent US$ 10 million of the US$ 26

“As The Rockefeller Foundation we are keen to see the Deal Room grow from an annual event into a platform that better supports agribusinesses with the potential to become creditworthy and investment ready. This growth should be also be expanded to support the progression of transactions.”

William Asiko, Managing Director, The Rockefeller Foundation
A million commitment for 2019, as well as entering into new partnerships with Nestle and Africa Improved Food; USAID’s launch of its Market Systems and Partnerships (MSP) mechanism; African Development Bank’s US$ 45 million investment in Senegal’s Agropole; Grow Africa commitments totaling US$ 260 million across different value chains in seven African countries; the launch of the N3F – Nutritious Food Financing Facility – a joint investment fund between GAIN and Incofin; the announcement of the World Business Council for Sustainable Development (WBSCD) launch of the Global Alliance Agriculture SMEs digital finance platform.

Enabling investment and stakeholder engagement in times of COVID-19

The impact of and responses to the COVID-19 pandemic was an important red thread in the Deal Room dialogues this year with almost 1/5 of participating investors establishing a COVID-19 related facility. As per the agribusiness outlook report, 43% of respondents saw a reduction in their operations due to the pandemic and 20% placed investment decisions on hold. In addition, companies indicated that engagement with and support from governments and donors was important to resolve the fallout of the pandemic. The timing of the virtual Deal Room proved critical in providing a significant number of actors with the ability to engage with stakeholders and investors and rebuild business confidence.

Categories in attendance at the Agribusiness Deal Room:

<table>
<thead>
<tr>
<th>Anchor Buyers/Off-takers</th>
<th>Business Advisory Services</th>
<th>Capital Providers</th>
<th>SME/Enterprise Businesses</th>
<th>Support Systems (NGOs and Development Partners)</th>
<th>Government Institutions</th>
<th>Others</th>
</tr>
</thead>
<tbody>
<tr>
<td>55</td>
<td>166</td>
<td>312</td>
<td>711</td>
<td>409</td>
<td>31</td>
<td>340</td>
</tr>
</tbody>
</table>

“The AGRF is the world’s premier forum for bringing together diverse stakeholders to take practical actions and share lessons that will move the African agri-food sector forward. The platform advances its mission largely by working year-round through a set of ten thematic platforms. With the committed engagement of dozens of AGRF partners, governments and thousands of key decision makers, the AGRF is the natural host to the Agribusiness Deal Room. By leveraging the entire AGRF landscape, we want not just to unlock finance but to create a network of solutions to the complex challenges that SMEs and governments face.”

Dr. Debisi Araba, Managing Director, AGRF
2 SME Matchmaking

2.1 SME in the Deal Room

Over 700 SMEs from across the continent participated in the Agribusiness Deal Room. The highest representation of SMEs was from West Africa; mainly Nigeria and Ghana and from East Africa; mainly Kenya and Rwanda. Over 70% of the enterprises in the Deal Room were in the early and growth stages of business, providing investors with a strong investable pipeline of opportunities. The enterprises whose average age was three years, operated largely in value addition and enabling aggregation and logistics, seeking debt and equity investments in the range of US$ 100,000 - US$ 5,000,000.

Over 700 SMEs were initially drawn from internal resources and networks, with connections made through Deal Room partners, support from the AGRA country teams, previous Deal Room, AGRF participants and calls for submissions on social media.

Selection criteria for SME participation in the Deal Room were clearly outlined, prioritizing sector focus, geography, and stage of business for potential participating SMEs

- Sector: Focus on agriculture and agribusiness with a clear link to smallholder farmers
- Geography: Primary operations or market in Africa
- Stage of business: Post-revenue businesses looking for financing

Additional criteria included: youth development, gender inclusion, environmental impact, collaboration opportunities, inclusive growth, use of technology, and opportunities for follow-on financing. SMEs also received support in developing a detailed one-page profile and access to preparatory activities for the Agribusiness Deal Room.

“As Gaea Foods we are looking for both financing and mentorship in leadership in complexity. For financing, we are seeking US$ 10 million in a combination of debt and equity from investors that are interested in the potato value chain. The best thing about the Deal Room is the facilitation and opportunity for one on one engagement with investors along with access to the right tools to prepare for engagement.”

RoseAnne Mwangi, CEO, GAEA Foods
SME engagement cycle

Outline SME selection criteria
Designed a clear SME selection criteria for participation in the Deal Room

Conduct SME outreach
Outreach to over 800 pre-selected SMEs across Africa sourced from internal and external sources

Review submitted profiles
The team received 300+ SME profiles, reviewed, and selected 208 SMEs to participate in the Deal Room

Prepare SMEs for the Deal Room
The Deal Room hosted two webinars and compiled materials to create an SME resource bank

Matchmaking at the AGRF
During the virtual conference, the team supported SMEs in connecting with potential investors

Post-event follow up and facilitation
Monitoring of AGRF matching engagements
Mobilising support for transaction facilitation

AGRA and partners played a key role in developing a pipeline of SMEs to participate in the Deal Room. Finally, 208 SMEs with an investment need of US$ 500 million+ were reviewed and selected from across Africa to benefit from facilitated matchmaking at the Agribusiness Deal Room 2020. All SMEs that submitted profiles were allowed to participate in the Deal Room but only the selected 208 were provided with extensive support by CrossBoundary Advisory (“CrossBoundary”) and directly promoted and matched with investors. In total over 700 SMEs participated in the market place of the Deal Room.
2.2 SME Preparation and Resource Bank

In the 2019 edition of the Agribusiness Deal Room, participating investors highlighted the SMEs lack of preparedness as a major barrier to transaction progress. An estimated 20% of transactions that did not progress were directly attributed to limited access to and knowledge of fundraising materials (teaser, investment memo, financial model, etc.) as well as a limited understanding of the investment processes.

To bridge this gap, the Agribusiness Deal Room hosted two pre-event webinars to strengthen SME preparedness, covering topics ranging from investment process overview, to key fundraising documents, and how to prepare for investor pitches and negotiations. In addition, an online Resource Bank was launched to provide Africa’s SMEs with information to improve their access to growth capital. The online Resource Bank includes detailed information on investor needs, frequently asked questions, as well as a wide range of investment tools that will guide SMEs in developing and articulating their strategies; conducting market and financial feasibility analysis; developing business plans; as well as developing investment teasers and pitches amongst others. The Resource Bank also includes research papers and studies focusing on entrepreneurship promotion and business development in Africa. The Resource Bank is a compilation of resources contributed by GIZ, USAID, DFC and IFC. All materials are publicly available and can be accessed HERE.

More than 80% of all SMEs that participated in the Deal Room in 2020 found the pre-event webinars useful for preparation. 44% of SMEs found the SME Resource Bank useful for their current fundraising activities while 20% believe it will be useful in future.

“**A thriving agribusiness sector is key to development and it requires partnerships across the agribusiness ecosystem. IFC supports the development of agribusiness along the value chain—from primary production to processing to logistics to retail—in Africa. Engaging with a wide range of private sector stakeholders in sub-Saharan Africa is therefore critical and the Agribusiness Deal Room is a useful platform to do this.**”

Zeina Mouawad, Senior Investment Officer, IFC


### 2.3 Investors in the Deal Room

The capital providers in the Deal Room included both domestic and foreign investors ranging from bilateral Development Finance Institutions (DFIs), to multilateral DFIs, emerging market private equity funds, impact funds, regional commercial banks, venture capital funds and development partners (donors). This varied group of capital providers presented a wide range of financing options including equity, debt, mezzanine financing, and grants.

In preparation for the event, the Deal Room partners leveraged their extensive network to invite and profile investors in Africa’s agriculture sector, reaching out to more than 230 investors with the opportunities presented on the platform. A total of 55 investors with specific interest in the main value chains at the Deal Room were profiled, selected and facilitated with targeted matchmaking for investment opportunities.

During the conference, the team continued to provide support to investors by making introductions to SMEs which fit their criteria.

<table>
<thead>
<tr>
<th><strong>Profied investors at a glance</strong></th>
<th><strong>5 – 7 years</strong></th>
</tr>
</thead>
<tbody>
<tr>
<td>83% Of the profiled investors offered debt or debt-related instruments</td>
<td>Average investment horizon for most investors</td>
</tr>
<tr>
<td>70% Of the profiled investors offered equity or equity-related instruments</td>
<td>8 Investors with a single-country focus</td>
</tr>
<tr>
<td>18% Of the profiled investors have a COVID-19 related facility</td>
<td>2 Investors offering grants</td>
</tr>
<tr>
<td><strong>US$50k – US$150M</strong></td>
<td><strong>Ticket size range</strong></td>
</tr>
</tbody>
</table>

* Multiple ticket sizes quoted in currencies other than US$.

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"Investing in agribusiness does not only help create jobs and opportunities for farmers, it can help transform whole sectors. Pioneering SMEs need patient capital from investors who are prepared to stay in for the long-haul. There is always risk, but strong partnerships between entrepreneurs and investors and can deliver very rapid growth."

**Chris Isaac, Chief Investment Officer, AgDevCo**
Investor engagement cycle

The team reached out to 230+ investors and received commitments from 55 investors interested in participating in the Deal Room.

We worked closely with the investors to create 1-page investor profiles to share with SMEs ahead of the launch of the deal room.

During the conference, the team continued to provide support to investors by making introductions to SMEs which fit their criteria.

Outcomes from the Agribusiness Deal Room

**2019**

In the Deal Room 2019, **44 enterprises**, representing an aggregated capital need of **US$ 455m**, received significant investor interest, resulting in post-event engagement and follow up. AGRA actively monitored this portfolio. At the moment 4 transactions have a high probability of closure within the next 4 months, representing a deal value of circa **US$ 15m**.

**2020**

In the Deal Room 2020, **93 enterprises**, representing an aggregated capital need of **US$ 855m**, received serious investor interest, which could translate into post-event investor dialogues in preparation for due diligence.

Deal Room partners will actively monitor this portfolio throughout the year and provide transaction facilitation to a select few.

“At Zebu Investment Partners, we invest in SMEs in the food production and processing value chains. Our goal is to support our portfolio companies with various value creation initiatives in order build sustainable, resilient and profitable businesses. From the Deal Room 2020, we have initiated engagements with several enterprises that demonstrate the potential to improve African food production and offer attractive commercial returns.”

Dennis Matangira, Senior Managing Partner, Zebu Investment Partners
Investors showed the highest interest for SMEs with strong revenue base and operating in value addition/processing

Investors showed a slight preference for equity/convertible debt over pure debt and in some cases, there was a mismatch where an investor was looking to deploy equity while the SME was raising debt.

Based on feedback, investors saw unambiguous value in building a year-round platform and the integration of investment facilitation into the Deal Room.

Investors indicated they would visit the platform throughout the year, mainly looking for pipeline opportunities.

Additionally, investors would benefit from investment facilitation support, especially in opportunity validation and market research.
2.4 Matchmaking

To facilitate effective engagement, detailed profiling templates were developed to capture both SME and investor details to enable both sides to assess the “fit” prior to engaging. During the virtual conference, SME’s received support in connecting with potential investors.

**Feedback from SMEs and Investors**

Investor feedback overwhelmingly indicated that they would participate in subsequent Deal Rooms, and would highly recommend it to a friend or colleague. They also saw unambiguous value in building a year-round platform and the integration of investment facilitation into the Deal Room. Additionally, investors indicated they would stand to benefit from investment facilitation support, especially in the areas of opportunity validation. The Agribusiness Deal Room will continue to facilitate dialogue among key interest groups through the year-round platform, documenting and monitoring the outcomes of the engagements.

| What support do the SMEs require in addition to matchmaking in the Deal Room? |
|---|---|---|---|---|
| Fundraising support | Financial analysis | Investment strategy implementation | Other |
| 75% | 39% | 35% | 18% |

SMEs shared a similar positive response and also highlighted that further support is required to advance discussions with investors. AGRA and its partners are exploring opportunities to broaden support for them through targeted investment facilitation and continuous monitoring.

“The virtual platform successfully attracted close to double the number of enterprises that participated in 2019 and allowed for intensified engagement through online meetings. We saw investors coming in with keen interest to explore investment opportunities and provide a broad range of investment options and ticket sizes to the different categories of enterprises at the Deal Room. The early preparation of SMEs through webinars and resource bank materials was definitely a great addition to the Deal Room and we anticipate increased engagement between participating SMEs and investors going forward.”

**Jake Cusack, Co-Managing Partner, CrossBoundary**

(Implementing partner of the SME matchmaking in the Agribusiness Deal Room)
2.5 Next Steps: Year-round preparation, matchmaking and follow up

**Intensify and institutionalize preparation and pipeline building of SME investment opportunities.**

- Host SME learning webinars to allow Investors and Business Development Providers to share insights on investor requirements and SME preparedness
- Expand the resource bank as a knowledge depository for fundraising and strategic planning
- Build capacity of regional Business Development Advisors and improve matchmaking to better serve SME needs
- Host local and regional pitch sessions and competitions to improve identification of investment ready SMEs
- Expand the Deal Room partnership with existing SME graduation programs
- Year-round profiling and matchmaking of SMEs through the Deal Room platform and marketplace
- Advocate for increased adoption of sustainable and inclusive investment guidelines

**Strengthen post-matchmaking monitoring and transaction facilitation**

- Identify progressive transactions through which the Deal Room will crowd-in ecosystem support towards investment facilitation and deal closure
- Data collection and analysis to refine the identification of post-matchmaking needs
- Enhance the monitoring of the post-matchmaking transaction process
- Further strengthen partnerships with growth funds and partners providing transaction facilitation services
Governments in the Deal Room

3.1 Country Investment opportunities

The Agribusiness Deal Room provides governments with the opportunity to engage with investors and financiers. It also supports the mobilization of technical support and partnerships that could de-risk public and private investments, support growth and address market issues. Country delegations also engage bi-laterally with a range of investors to address investment bottlenecks.

During the Deal Room 2020, 15 governments presented investment opportunities worth US$ 7.827 billion across different value chains. Governments participating in the Deal Room presented a variety of investment opportunities ranging from large scale flagship programs requiring public-private funding to value chain specific investment projects. Some governments specifically focused on mobilizing investments in SMEs, youth and female-run enterprises.

In support of governments, the AGRA country teams, and partner teams engaged their various investment promotion agencies and ministries to convene stakeholder meetings and develop a pipeline of investment opportunities. The government delegations to the Deal Room were led either by (Deputy) Ministers of Agriculture or the Permanent Secretaries of the ministries with a demonstrated commitment and leadership on their part.

Promotion of governments sessions targeted specific investor and stakeholder groups

Dr. Agnes Kalibata-President AGRA, Hon. Clare Akamanzi-CEO Rwanda Development Board and Vanessa Adams – VP Strategic Partnerships AGRA at the hybrid opening ceremony of the Agribusiness Deal Room

Highlights

<table>
<thead>
<tr>
<th>16</th>
<th>$7.827 billion</th>
<th>29</th>
<th>16</th>
<th>1,268</th>
<th>16</th>
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<tbody>
<tr>
<td>investment opportunities presented</td>
<td>investment sought</td>
<td>meetings held</td>
<td>webinar sessions held</td>
<td>total number of participants that attended government sessions</td>
<td>government and regional investments presented</td>
</tr>
</tbody>
</table>
Government engagement cycle

Flagship design and stakeholder mobilization
Governments and in-country partners support the design of flagship programs and investment opportunities.

Stakeholder consultation
Identify and filter project and investment pipeline, identify bottlenecks and map critical stakeholders and investors. The process is supported by in-country partners and programs (including AGRA, Tanager, CASA and TBI).

Deal Room preparation
The Agribusiness Deal Room partners worked closely with governments and government agencies to prepare investor pitch documentation.

Country presentation at the AGRF
Engagement of country delegation in the Agribusiness Deal Room at the AGRF.

Post event management
Inter-ministerial working group
Follow up conversations with engaged investors and other stakeholders.
Monitoring of investment bottlenecks and progress.
Conduct investor roundtables.

US$ 7.827 billion of investment opportunities presented by governments

Burkina Faso
USD 2.792 B
Phosphate Rock processing, Rice production, cereal and livestock processing.

Mali
USD 100 M
SME Agro processing.

Rwanda
TBD
Agro processing.

Uganda
TBD
Agro processing.

Ethiopia
USD 217 M
Agro Processing.

Kenya
USD 430 M
Livestock and ICT.

Tanzania
USD 430 M
Oil Seed Processing.

Malawi
USD 250 M
Youth and women empowerment.

Mozambique
USD 27.424 M
Youth and Women in production, and Agro processing.

INVESTMENT OPPORTUNITY
VAlE CHAINS

“These are much-needed investment opportunities by governments requiring both partner and stakeholder engagement from design stage to financial closure. Beyond deal closure, we need stakeholder engagement in equal measure to ensure the investments are both successful and inclusive.”

Jonathan Said, Head of Inclusive Economic Growth, Tony Blair Institute for Global Change
3.2 Ghana: mobilizing investments for the poultry and rice value chain

**The Joint Sector Review as a key starting point for investment prioritization**

Ghana, which hosted AGRF 2019, had a powerful delegation in the Deal Room 2019 led by the Ministry of Food and Agriculture (MoFA). Building on this experience, preparations for the Deal Room 2020 began after the Joint Sector Review, which represents the annual evaluation of the delivery and results for the Ministry, and an opportunity to strategize. Upon consultation within government and with partners, the Minister in charge of MoFA chose poultry and rice as the key value chains to present to investors.

The actual presentation in the Deal Room was led by the Deputy Minister and his Directors. For MoFA, the momentum around the preparation for the Deal Room was invaluable for the reintroduction of strategies to attract investments into Ghanaian agriculture. The coordination efforts within and outside the Ministry were important for creating a “Culture of Investment” with staff.

**Ghana Post Deal Room engagement; continue with year-round investment round tables**

As a post Deal Room follow up, IFC and TBI proposed that the Ministry and its partners set up high-level Investment Roundtables across all the value chains. These roundtables are currently under discussion and involve MoFA technical teams, value chain associations, donor partners, project suppliers and developers. For the Investment Roundtables, the goal is to move forward on the identified investment opportunities in rice and poultry, as well as in other priority value chains and improvements to overall supply chain coordination with heavy private sector involvement.

3.3 Senegal: Agropole Sud as a focal point for investments

The Deal Room preparations allowed various parties across government to coordinate investment opportunities for agriculture and agro-processing. Following coordination meetings, the government placed emphasis on its flagship Agropole Sud project, an agro-processing zone in the South that aims to attract not only the operators, but the developers and managers of the zone, in partnership with FONSIS, the sovereign wealth fund. The Senegal country session on
the Agropole Sud project registered success at the Deal Room, with 260 participants. With the support of the Tony Blair Institute, the Government of Senegal via FONSIS is following up with interested parties.

3.4 Tanzania: Strengthening agro-industrialisation through private sector investments

The Tanzania delegation was led by the Deputy Minister of Agriculture, Mr. Omary Mgumba and supported by presenters from the Ministry of Agriculture, Ministry of Livestock and Fisheries and the Tanzania Investment Centre (TIC). The minister invited both state and non-state actors to invest in the crop, livestock and fisheries sector.

Tanzania’s development plan prioritizes the attainment of a semi-industrial economy by 2025. The Tanzania Agro-industrialisation Development Flagship (TAIDF) is a detailed implementation plan by the government to strengthen agro-industrialization in Tanzania. The goal of TAIDF is to achieve an enhanced structural economic transformation toward agro-industrialization through improved agro-industry based economic growth inclusive of youth and women. Although the thrust of

“Collaboration is imperative if we are to realize our aspirations in Africa. The African Development Bank has been working with African governments, investing in setting up quality infrastructure for Special Agro-industrial Processing Zones. We are happy to announce that we will be investing US$45 million into the Senegal Agropole investment opportunity that was presented at the 2020 Agribusiness Deal Room and we look forward to engaging with other governments and partnering to support them in similar investments.”

Atsuko Toda, Director for Agricultural Finance and Rural Development, AfDB
TAIDF is the promotion of agro-industries, its effective implementation calls for investments along the agriculture value chain. The delegation pitched for investments in the following priority agro-industries: edible oil, cotton and textile, cane sugar production, chemical fertiliser, livestock, leather, beef and industries involved in processing and packaging fish and aquaculture products.

As a follow up to the Agribusiness Deal Room, the Deputy Permanent Secretary for the Ministry of Agriculture proposed that the Agriculture Sector Lead Ministries (ASLMs) and their partners set up high level Investment Roundtables across all the value chains. The roundtables will create the necessary partnerships for improving agriculture sector performance in the country.

3.5 Next steps; leveraging the Deal Room as a key milestone in investment promotion and engagement cycle

- Strengthen in-country engagement with local stakeholders and governments and build Deal Room preparation from “the ground up”
- Enhance policy feedback loops through continued investor dialogues and stakeholder roundtables
- Mobilize support to embed investment facilitation support for governments in program development
- Further strengthen alignment with existing flagship programs and investment mobilization efforts.
- Drive country-level targeted matchmaking through initiatives such as Investor Roadshows and National Investment Days

“The Malawi Agricultural Investment Plan presents numerous commercialization opportunities that will be delivered through strengthened public-private partnerships and improved sector coordination. The opportunities included sustainable agriculture, irrigation, mechanization and will lead to youth and women empowerment. The Malawi government will continue to follow up and engage with investors and technical partners on the operationalization of these critical investments.”

Mrs. Erica Maganga, Permanent Secretary, Ministry of Agriculture
Sourcing in Africa is a multi-stakeholder platform that aims to strengthen supply chain engagement between African farmers, agripreneurs, aggregators (SMEs) and anchor buyers. Participants in the platform actively identify opportunities and implement interventions that increase sourcing from African smallholder farmers whilst enhancing the engagement of agripreneurs. The platform also showcases successful initiatives and best practices to scale and expand. Stakeholders encompass the entire eco-system ranging from anchor-buyers, farmers, women and youth entrepreneurs, agri-SMEs, financial institutions, service providers, input companies, governments and NGOs.

Sourcing in Africa was initiated by AGRA, GrowAfrica and IDH, after a call for action by anchor buyers in the Deal Room 2019. The implementing and technical partners were encouraged to support the private sector in designing and scaling successful local sourcing models through value chain partnerships and knowledge sharing. For more information on sourcing in Africa please visit our website.

The Platform had three sessions in the Agribusiness Deal Room showcasing the learnings of ongoing efforts and raising awareness on sectoral developments:

**4.1 IDH FarmFit Session**

*Innovative Models for Increased Food Trade & Resilience in Africa, making business connections between service providers, financial institutions, tech companies, SMEs & Farmers in Africa*

IDH presentation of Farmfit market led delivery models
With the support of BMGF and FCDO, IDH Farmfit has been working on systemic barriers to market transformation in smallholder value chains. Individual businesses or single actor “Service Delivery Models” often lack the means and structures to overcome these systemic barriers in a way that is commercially viable and bankable. By working together with multiple actors offering both financial and non-financial services to smallholder farmers, synergies and co-dependencies can be created through shared infrastructure, data, costs, risk, and value.

The session introduced two such models and explored how they contributed to resilience and food trade, and what was needed to further scale and replicate them.

• Consortium Model with ECOM, ETG, Mastercard, Rabobank.
  
  In this model, the various stakeholders converge to share risk, assets are leveraged, with the costs and revenues shared by multiple actors with different specializations. They all come together to serve farmers.

• Lead firm model with Chicoa and Aquaspark.
  
  A lead company offering a complete set of services to farmers that allows them greater control over a loosely structured value chain. The focus is on single value chains with a high level of control. A recording of the IDH session can be accessed at Farmfit Innovative Business Models.

4.2 IDH Grown Sustainably in Africa (GSA) Initiative - Strategies and Opportunities for Increasing Local Sourcing in Africa

IDH and Dalberg presented The Grown Sustainably in Africa (GSA) Initiative, demonstrating how it works with off-takers, SMEs and smallholder farmers on the commercialization and development of inclusive supply chains to increase local sourcing.

IDH presented a progress report of the current GSA work on increased local sourcing with SMEs and Unilever as well as presenting new partnerships with Nestlé and DSM. These companies pledged to invest significantly in the development of inclusive African supply chains, prioritize and increase local sourcing from aggregators, SMEs and smallholder farmers. The new partners committed over US$ 30 million in offtake arrangements from more than 100,000 farmers. "Food represents the bulk, above 50% of disposable income spent in Africa, demonstrating the potential opportunity for the African agribusiness sector. The sector’s growth will be driven by solving supply chain fragmentation and improving both backward and forward integration of all actors while leveraging technology to aggregate services.”

Peter Njonjo, CEO, Twiga Foods
than 30 SMEs reaching over 100,000 smallholder farmers. IDH committed US$ 700,000 in technical assistance funds to SMEs with an additional US$ 10 million committed by FarmFit Fund to SMEs and smallholder farmers. For more information on this session, please visit Opportunities for Local Sourcing in Africa.

4.3 Building a poultry value chain – solutions to feed Africa’s growing cities

Africa’s poultry market has experienced a double-digit boom in many countries. The sector is expected to expand far beyond its estimated industry size of US$ 15 billion. Growing demand and urbanization has also resulted in increased imports, mainly of frozen products from Brazil and China. Acknowledging the economic and nutritional potential, many governments introduced protective measures to support the growth of a local industry. However, these interventions have not led to a thriving domestic or regional sector. Given that 70% of poultry costs are driven by animal feed, solutions should span the entire value chain, from farm inputs to consumer retail.

The poultry and animal feed session is a recurring theme of the Sourcing in Africa platform in the Agribusiness Deal Room. In 2020, panelists representing over US$ 1 billion of assets invested in the poultry and animal feed sector, shared investor experiences and opportunities from across the continent.

“Africa’s poultry market has experienced a double-digit boom in many countries. The sector is expected to expand far beyond its estimated industry size of US$ 15 billion. Growing demand and urbanization has also resulted in increased imports, mainly of frozen products from Brazil and China. Acknowledging the economic and nutritional potential, many governments introduced protective measures to support the growth of a local industry. However, these interventions have not led to a thriving domestic or regional sector. Given that 70% of poultry costs are driven by animal feed, solutions should span the entire value chain, from farm inputs to consumer retail.”

Gary Vaughan Smith, Chief Investment Officer, SilverStreet Capital
The panel called for the following public-private actions and interventions:

- **Prioritization of the poultry sector by key decisionmakers as flagship investments**: A “low hanging fruit” investment opportunity that can deliver food, income and nutrition security to millions of Africans and profitability to thousands of African businesses.

- **A higher sense of urgency amongst policy makers** to deliver a consistent and effective regulatory framework that enables the growth of a domestic poultry industry.

- **Investments and policy interventions on the input and farm level** that will increase local sourcing of crops from African smallholder farmers and make African produced animal feed more cost-competitive on the global market.

- **Increase the availability of patient capital and other financial instruments** that foster a long-term investment horizon and improve access to finance for key actors across the value chain.

- **Improve logistics and storage** to reduce post-production losses all the way from soya and maize farm production level through to consumer poultry retail. Panelists specifically emphasized the need for investments in storage and cold chain logistics.

- **Intensify supply chain management and coordination**. The complexity, level of fragmentation and challenging environment of the African animal feed and poultry supply chain requires detailed technical orchestration of supply chain linkages to ensure a cost-competitive, inclusive and profitable value chain that benefits all stakeholders. This coordination role requires both public and private brokering and coordinating elements.

- **Establish Public-Private partnership models for delivery**. Given the opportunities presented and challenges that the sector players need to address, panelists called for the establishment of stronger, well-mandated and well-resourced public private platforms that can support supply chain coordination, policy advocacy and implementation and strategic planning amongst key stakeholders. The Southern Agriculture Growth Corridor of Tanzania (SAGCOT) and the Southern African Confederation of Agricultural Unions (SACAU) have both developed platform models for delivery.

More information on the poultry session is accessible at [Building a Poultry Value Chain](#).

### 4.4 Next steps: initiate value chain interventions and expand knowledge exchange

- Raise awareness at a country-level on key opportunities, solutions and challenges discussed through local policy engagements and Deal Room events.

- Continue to showcase local sourcing success and solutions through events and platforms.

- Facilitate partnerships and alliance building around specific priority value chains i.e., AfDB identified agriculture and processing development zones, Food Action Alliance flagship programs, AGRA consortia farmer model.

- Facilitate year-round matchmaking between value chain actors.
5 Women and Youth in the Deal Room

One in every four women in Africa is engaged in entrepreneurial activities, yet women entrepreneurs continue to face unique challenges in accessing the requisite capital to scale their businesses. In Africa, the financing credit gap between men and women entrepreneurs is estimated at US$ 15.6 billion.

The Agribusiness Deal Room maintains a strong focus on women and youth and is committed to working together with partners to bridge this gap. The Deal Room achieves this through the identification of investable women-led and youth-led businesses and matching them with investors; advocacy on the challenges faced by these entrepreneurs; knowledge sharing on the successes and opportunities for financing women and youth-led enterprises and providing a networking platform for both vertical and horizontal partnerships. This year, the Deal Room brought to investors a pipeline of SMEs with 57% and 31% comprised of women leadership and youth leadership respectively.

The Agribusiness Deal Room held three knowledge sessions focusing on amplifying the voice of women in agribusiness, showcasing success stories across the continent and demonstrating the impacts that can be achieved through financing women-led enterprises. These sessions brought

**Generation Africa** brings partners together to strengthen the ecosystem for young agripreneurs across the continent.

The **GoGettaz Africa Community** is a platform hosted by Generation Africa for young, innovative entrepreneurs who are revolutionizing Africa’s agri-food sector. Youth entrepreneurs participated in the Agribusiness Deal Room. The 12 finalists of the Gogettaz Agripreneur prize competition proved to be some of the most energetic participants in the Agribusiness Deal Room with the highest outreach and follow up amongst SMEs.

“As the agribusiness sector progresses on the current trajectory towards realizing the potential of a US$ 1 trillion industry, it is imperative that this growth is inclusive of smallholder farmers, providing livelihood opportunities for them and reducing poverty – particularly for women and youth.”

**Nick Austin, Director Agricultural Development, BMGF**
together over 240 delegates participating in the dialogue and exploring how to advance women-led agribusinesses. In addition, several country presentations, i.e., Mozambique and Malawi, highlighted the need to incentivize flagship investments benefitting woman and youth agripreneurs.

5.2 VALUE4HERConnect

The Agribusiness Deal Room platform also hosted VALUE4HERConnect, Africa’s first agribusiness intelligence platform aimed at facilitating the growth and development of women-owned agribusiness enterprises. With a membership of 600 women-owned agribusinesses and growing, VALUE4HERConnect seeks to explore mechanisms for amplifying women’s voices in agriculture, particularly in the agribusiness and investment sub-sectors. Digital technologies have featured as the key enabler and instruments for building voice and agency, this session explored the models, successes and insights for building and sustaining women’s voices in agriculture.

More information on the women focused sessions can be accessed at Women in Agribusiness and Access to Finance for Women.

VALUE4HERConnect at a glance

- **649 women** led agribusinesses registered
- **With an annual turnover ranging from USD 20,000-USD 100,000.**
- **Representing 27 countries in Africa**
- **At least 3 years in business**

“As a woman entrepreneur looking for investment, I have found that a critical component to identifying the right investor fit is; the clarity of my financing needs – value and structure, confidence in my business value proposition and focused engagement with investment opportunities that are aligned to both.”

Stacey Enyame, CEO Zalli Foods
The 2020 Agribusiness Deal Room and its partners hosted 23 knowledge sessions. Topics included improving the infrastructure to unlock increased investment to SMEs; financing women entrepreneurs; and scaling innovative business models to strengthen integrated and inclusive agricultural supply chains in Africa.

Some of the sessions of high interest amongst the Deal Room delegates were:
1. What informs the credit worthiness of SMEs?
2. Innovative business models for increased trade and resilience in Africa
3. How can we build a trillion dollar agribusiness in Africa?
4. Access to finance for women
5. ICTs for improving investment readiness of small and medium agribusinesses
6. Building a poultry value chain: solutions to Africa’s growing cities

6.1 Bridging the demand and supply gap for SME investment – Knowledge session

CASA Investor Summit

The Commercial Agriculture for Smallholders and Agribusiness (CASA) Programme hosted a series of panel discussions in the Deal Room as part of an investment summit convening investors from around the globe. Sessions discussed the use of ICT to improve SME investment readiness, Agribusiness Incubation and the supply gap in SME finance.

In one of the panel sessions “Bridging demand and supply of private investment capital for SMEs”, participants discussed alternative strategies used by investors and development actors to bridge the risk and reward gap of investing in agri-SMEs, as well as the available supply of investment ready Agri-SMEs. The session explored the different mechanisms used by investors to identify investment-ready agri-SMEs, as well as different models of agri-SME financing and technical assistance. The discussion was framed around research conducted by CASA, with the following main takeaways:

“We have to provide the evidence that there are attractive African investment opportunities which have a positive impact on smallholder farmers whilst delivering a decent return to investors. CASA is bringing the evidence and dialogue on risk-reward strategies to the Deal Room and helps the entire landscape to design and implement alternative investment strategies”

Nick Ishmael-Perkins, Learning & Communication Lead, CASA
a. Private agribusiness investment in Africa could be accelerated by a clearly articulated strategic vision at the pan-African level, backed up by credible commitments to, and effective implementation of the plan at regional and national levels. This would include a transparent process for prioritising and selecting a pipeline of bankable agriculture projects.

b. There is limited demand by agri-SMEs to take on third-party private debt or equity ownership. The number of agri-SMEs operating in Africa rose by 800% between 2000 and 2017, but these farms and agri-SMEs finance their operations mainly from family equity. This suggests that the effective demand for finance by agri-SMEs may be substantially lower than the amounts impact investors are willing to supply. However, changes in investor and bank behaviour could increase the agri-SMEs’ effective demand for finance.

The CASA research findings speak to the need for better alignment of expectations between investors and capital seekers. It also highlights the urgent need for financial products that are better tailored for the African agricultural private sector.

The full report can be accessed from HERE: and the recording of the panel discussion can be watched HERE:

### 6.2 What informs credit worthiness of SMEs?

**Knowledge Session by SCOPEnsight and Mix @ the Center for Financial Inclusion**

Lenders find agriculture twice as risky as other sectors, which limits the flow of much-needed capital to agricultural SMEs in sub-Saharan Africa. During this session, panelists presented a promising approach to determining the credit worthiness of African agri-SMEs based on work done SCOPEnsight and Mix @ the Center for Financial Inclusion, with support from AGRA.

The development of a set of ‘bankability’ metrics forms the foundation to this approach: A common language that helps agri-SMEs understand lender requirements and supports lenders to make more informed decisions through the standardization of financial and operational data points. Additionally, these metrics could provide informal agri-SMEs with a pathway towards more formal business practices. SCOPEnsight’s business and market-oriented

> “Through the provision of capital to agribusinesses on the continent, AECF has seen the tremendous potential that these businesses have and what they can achieve with the right financial investments aligned with the business model and business strategy. In the Deal Room, we hope to see more commercial financiers that can sustain the momentum catalyzed by feeder funds, allowing for the agribusinesses to continue growing and promoting a circular economy environment.”

**Victoria Sabula, CEO, AECF**
graduation system allows for the scoring and segmentation of agri-SMEs and, together with the bankability metrics, will explore how a market intelligence solution could facilitate linkages between market actors.

The session also highlighted the need for a market intelligence solution that utilizes a common set of bankability metrics. Such a solution would serve as a link pin between lenders and agri-SMEs, ensuring the former are able to spend their due diligence resources on organizations that meet their screening criteria, and the latter could access the capital they need to sustain and grow their businesses.

In the next phase, SCOPEInsight and partners will consolidate the bankability metrics and the market-oriented graduation system into a portal that allows a targeted selection of agri-SMEs that meet their investment-specific lenders’ criteria; it will facilitate stronger linkages between agri-SMEs and financiers at lower costs; and it will reduce the risk for financiers.

The recording of the panel discussion can be accessed HERE.

6.3 The Africa Agribusiness Outlook Report

AGRA and KPMG held a knowledge session that brought together private sector leaders from across the continent to communicate the results and recommendations from the inaugural Africa Agribusiness Outlook Report. The session also provided a platform to expand the dialogue on how the entire ecosystem could work together to survive and thrive through unprecedented times. The report is a product of extensive conversations held with CEOs of leading African agri-businesses. The findings of the 2020 survey will form a baseline with the intention of taking an annual stock of the priorities for agribusinesses over the next few years, and gain insights on what matters most to them at any particular moment in time. We expect that these topical insights will enable policymakers to respond to businesses in a more agile manner. We have highlighted some of the key survey outcomes including: the major challenges for agribusinesses, the immediate recommended actions that would unlock growth for the agricultural private sector and the ways in which agribusinesses are responding to COVID-19.

The recording of the panel discussion can be accessed here Africa CEO Outlook.

“The Nutritious Foods Financing Facility by GAIN is the first investment facility focused on improving nutrition in Sub-Saharan Africa. It will support SMEs with both technical assistance and financial investments across nutritious food value chains supplying local markets in Africa to improve overall business performance and sustainability.”

Sofia Condes, Nutritious Foods Financing Lead, GAIN
What are the agribusinesses saying?
Most common priorities by order of popularity

<table>
<thead>
<tr>
<th>#</th>
<th>Priority</th>
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<tbody>
<tr>
<td>01</td>
<td>More flexible financing structures</td>
</tr>
<tr>
<td>02</td>
<td>Increase productivity of SHF</td>
</tr>
<tr>
<td>03</td>
<td>Reduced cost of money</td>
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<tr>
<td>04</td>
<td>Increased advocacy for infrastructure</td>
</tr>
<tr>
<td>05</td>
<td>Delivery of catalytic finance</td>
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<tr>
<td>06</td>
<td>Increased government allocation to ag sector</td>
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<tr>
<td>07</td>
<td>More PPPs for infrastructure</td>
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<tr>
<td>08</td>
<td>Increased private sector investment to ag sector</td>
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<tr>
<td>09</td>
<td>Increase finance into specific value chains</td>
</tr>
<tr>
<td>10</td>
<td>More affordable technologies adapted for Africa</td>
</tr>
</tbody>
</table>

How businesses are responding to COVID-19

- **43%** Reduction in operations due to COVID-19
- **17%** Shut down or pivot of the business as a result of COVID-19
- **47%** Seek Government and donor financial support to enable the firm
- **20%** Put all investments on hold for now until we understand the future of COVID-19
- **52%** Leverage technology as critical to thriving COVID19
- **49%** Prioritize implementation of international food safety standards in response to COVID-19

“Africa can develop the infrastructure urgently needed to scale successful local agricultural supply chains and strengthen local sourcing. To achieve this, we need to manufacture the construction material for specialized warehouses on the continent and partner with governments, investors and enterprises.”

Thandeka Molakeng, Head of Sales, BASF
Virtual convening space

The unexpected impact of COVID-19 made the need for a virtual Deal Room solution even more prominent.

Incorporating learnings from previous years, the Agribusiness Deal Room launched a virtual platform in 2020. The digital platform provided highly interactive event management software, a website for communication and information depository and the opportunity for online display and profiling of participants. The platform enhanced the participants’ experience by improving the profiling of opportunities in a marketplace and providing functionalities for bi-lateral, multi-lateral and plenary sessions amongst delegates.

7.1 A virtual investment marketplace

In addition to investment opportunities, the Deal Room offers participants the opportunity to find new partners, programs and service providers through a virtual marketplace. Participants in the Deal Room collated and presented more than 1,099 of such marketplace opportunities. This allowed participants to learn more about each other’s services, and products as well as supporting their decisions to schedule meetings.

Fig 7.1 The Agribusiness Deal Room Virtual Platform

The 24-hour meeting space allowed participants more control over their time and resulted in rapid meeting set-up without third-party involvement. SMEs were the most active users of the platform, mostly engaging with capital providers and other SMEs, whereas capital providers were mostly interested in engaging with SMEs and governments.

“The virtual networking and meeting space was innovative. A useful addition would be an ongoing live site after the main conference is closed, where the delegates can interact further”

Ron Tan, CEO, PRC Global Pte
Towards the next Agribusiness Deal Room

The Agribusiness Deal Room 2020 was well attended and a valuable experience for participants, establishing its brand and validating the need for this platform in the investment landscape. The virtual Deal Room increased the reach and lowered the threshold, while demonstrating that it had grown into a strong convening platform with great potential. The Agribusiness Deal Room aspires to continue its growth trajectory towards becoming a premier platform for private and public sector engagement on the continent. This will be achieved through reflections on lessons learned, the adoption of key recommendations and the sustained momentum of all participants.

8.1 Key success factors of the Deal Room 2020

1. Early preparation, strong engagement and ownership at country level leads to successful translation of government flagships into investor-attractive pitch documentation.

2. Leveraging partner strengths to inform and drive the various components.

3. Intensive outreach and engagement with different actors to build the pipeline of investment opportunities.

4. Layered solutions to match the different stages of SMEs in the Deal Room.

5. Ecosystem approach towards supporting both investment facilitation for SMEs and supply chain consolidation and strengthening.

6. Leveraging in-country networks and footprint of Deal Room partners

“The central role of smallholder farmers is at the heart of our work at AGRA. We believe that a combination of solutions that address system challenges and that strengthen the entire ecosystem to harness opportunities are key to unlocking the potential of smallholder agriculture on the continent. The Agribusiness Deal Room platform presents a unique and critical space for African governments and businesses to highlight the continent’s investment opportunities and network with other ecosystem actors that can contribute to the sector’s growth.”

Dr. Fadel Ndiame, Deputy President, AGRA
8.2 A year long engagement

The Agribusiness Deal Room will continue to drive different action tracks throughout the year that will culminate at the Deal Room event held at the 2021 AGRF and the Global Deal Room on the margins of the 2021 Food Systems Summit. The increased momentum and year-round engagement will allow for deepened support to Governments and Enterprises through improved preparation, stronger in-country engagement, capacity building and data analysis.

Activities our partners are aspiring towards in the coming 12 months:

**Intensify and institutionalize preparation and pipeline building of SME investment opportunities**

- Year-round profiling and matchmaking of SMEs through the Deal Room platform
- Expand the resource bank as a knowledge depository for fundraising and strategic planning
- Increase the adoption of sustainable and inclusive investment guidelines

**Establish a focused track for women and youth participating in the Deal Room**

- VALUE4HER webinars focused on matchmaking women led agribusinesses to finance and market opportunities
- Increase exposure of the Generation Africa’s GoGettaz in the Deal Room

**Further strengthen government championship to drive transactions**

- Strengthen in-country engagement with local stakeholders and governments and build Deal Room preparation from “the ground up”
- Enhance policy feedback loops through continued investor dialogues and stakeholder roundtables

“The Agribusiness Deal Room plays a huge role connecting SMEs to different industry players. An innovative virtual platform ensures that the networking opportunity is more inclusive, with a lower cost to SMEs and farmer organizations. This is a positive step towards building the partnerships and trade deals that will bring the necessary resources and growth opportunities closer to rural economies.”

Paul Mosley, CEO, Bonrezo
Further initiate value chain interventions under Sourcing in Africa

• Facilitate partnerships and alliance building around specific priority value chains

Improve accessibility and enhance the virtual platform

• Training sessions and guidance to SMEs and governments on how to navigate the virtual deal room

Expand the Deal Room partnership and eco-system

• Food Systems Summit – Deal Room participation in FSS activities in the build up to the 2021 summit
### Annexes

9.1 The Partner Team contributing to the Agribusiness Deal Room

**Deal Room Partners Delivery Team**

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<thead>
<tr>
<th>Organization</th>
<th>Name</th>
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<tr>
<td>AECF</td>
<td>Mercy Mutua</td>
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<td>AfDB</td>
<td>Atsuko Toda</td>
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<td>GAIN</td>
<td>Daniel Alberts</td>
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<td>Grow Africa</td>
<td>Nyiko Khoza</td>
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<td>Generation Africa</td>
<td>Dickson Naftali</td>
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<td>IDH</td>
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<td>Bettina Prato</td>
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<td>Tony Blair Institute for Global Change</td>
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<td>USAID</td>
<td>Laura Patterson</td>
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<td>World Economic Forum</td>
<td>Sean de Cleene</td>
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**The Rwanda Government**

**Rwanda Development Board**

Clare Akamanzi
Birasa Nyamulinda

**The AGRF Secretariat**

Adebisi Araba
Anne Muthoni

**The AGRA Delivery Team**

Vanessa Adams
Jennifer Baarn
Sabdiyo Dido
Thierry Ngonga
Valentine Miheso
Stella Massawe
Dorcas Mwakoi
Mumbi Maina
Betty Otieno
Rose Asewe

Appreciation is extended to our AGRA country teams
9.2 Agribusiness Deal Room 2020 Session Material

If you missed any of the engaging sessions at the 2020 Deal Room or would like to revisit a session that interested you, please find all the session recordings HERE.

9.3 How to Partner

The Agribusiness Deal room is one of ten thematic platforms of the AGRF. The partners platform is co-chaired by AGRA, USAID and IFAD. The Partners Management Support for the Agribusiness Deal Room is managed by AGRA on behalf of two dozen partners, all bringing complementary capabilities, resources, and networks to the Summit and year-round platform.

- If you would like to become a strategic partner of the Agribusiness Deal room, please email our Head of Partnerships Jennifer Baarn at jbaarn@agra.org.
- If you are an entrepreneur looking for investors, please email dealroom@agra.org to receive the submission template.
- If you are a government institution, the Agribusiness Deal Room is designed to help you attract new investors and engage with key stakeholders on your country’s investment climate. For further information please email our Partnerships Officer Valentine Miheso at vmiheso@agra.org.
- If you are an investor, a financial institution or development organization please email dealroom@agra.org to receive further information.

9.4 About AGRF

The African Green Revolution Forum was first held in 2006 as the African Green Revolution Conference (AGRC) and hosted by Yara International ASA in Norway. The conference moved to Africa in 2010, championed by the former UN Secretary General, Kofi Annan, who oversaw its transition to an African identity. The Forum now consists of an annual event combined with thematic platforms and activities throughout the year to ensure continuous progress over time. Rwanda is the second country, after Ghana, to host the event twice, having successfully hosted the 2018 edition. Consequently, Rwanda will host the event in alternate years, having been named the home of the AGRF seat. Other AGRF member countries will host the Forum in the years between. In its current format, the AGRF is organized by the AGRF Partners Group, a coalition of institutions that care about Africa’s agricultural transformation.
9.5 About AGRA

Established in 2006, AGRA is an African-led, Africa-based and farmer-centered institution working to place smallholder farmers at the center of the continent’s growing economy by transforming their farming from a solitary struggle to survive, into a business that thrives. Working in collaboration with our partners, among them; African governments, researchers, development partners, the private sector and civil society AGRA’s work primarily focuses on smallholder farmers – men and women who typically cultivate staple crops on two hectares of land or less. AGRA has learned a lot from past efforts during its first decade and is now recognized across the continent as a strong voice for African rural development, a prosperous agricultural economy, and for supporting thousands of small African businesses and millions of African families to improve agriculture to ensure food security and improve their livelihoods. For more information, visit www.agra.org, https://agrf.org/dealroom/resources Facebook, LinkedIn and YouTube

9.6 AGRA’s Unique Agriculture Alliance

The Partnership for Inclusive Agricultural Transformation in Africa (PIATA) is a unique strategic alliance launched in 2017, that enables African agriculture actors to do business differently as they support leaders to drive an inclusive agricultural transformation. The innovative partnership is driving integrated delivery within agro-economic zones and across value chains, enhanced in-country coordination to leverage wider investments and deliberate engagement with private sector to build sustainable systems that will transition agriculture from subsistence into a business that works.

PIATA members include the Bill & Melinda Gates Foundation, the Rockefeller Foundation and the United States Agency for International Development (USAID) with the Alliance for a Green Revolution in Africa (AGRA) as the implementing partner through its alliance of partners. The UK Foreign, Commonwealth & Development Office (FCDO) recently joined the partnership and brings greater focus on regional food markets and food trade through policy predictability and market systems development. The Federal Ministry of Economic Cooperation and Development, BMZ is currently a non-voting member and a resource partner, co-financing AGRA’s strategy in Burkina Faso and Ghana.