



AFC

Agriculture & Finance Consultants



AFC Agriculture & Finance Consultants (AFC)
3rd German-African Agribusiness Forum

22 May 2017

Next generation agriculture: Smart and Innovative Solutions

Questions from the organizer:

1. Increasing productivity, outputs, efficiency?

→ Yes, necessary due to a growing world population, climate change risks, and increasing demand of products for better nutrition.

2. Are value chain stakeholders investing enough in innovating solutions?

→ Who are value chain stakeholders in this regard (AFC perspective)?

- Local and international producers, processors, input providers
- Public investment, specifically in research and development as well as infrastructure
- Development sector: Donors started again to support the agricultural sector (e.g SEWOH)

→ **AFC mainly works on behalf of donor organizations to support agricultural development**

Next generation agriculture: Smart and Innovative Solutions

- What (for all stakeholders) needs to be innovative and smart?
 - climate change adaptation
 - environmental conditions: soil degradation...
 - addressing structural change in rural areas
 - creating employment and economic growth: training and Investments
 - Supporting the youth in rural areas: professional education, digitalisation

Next generation agriculture: Smart and Innovative Solutions

→ How? - Recent Instruments of BMZ

- Marshall Plan with Africa
- Berlin Charta (27 April 2017)
 - To facilitate access to innovative education and youth training for all by 2025 by increased investments in rural education,
 - To provide equitable and affordable access for all, especially youth in rural areas, to information and communication technologies (ICT's)
 - To make smart and responsible use of appropriate ICTs: ICT based service in rural areas for agricultural extension services, open source local innovation and knowledge databases, business connections and mobile banking platforms

Next generation agriculture: Smart and Innovative Solutions

Do our investments create impact?

From AFC experience, key success factors in this regard (and taking into account both our departments Agriculture & Agribusiness and Financial Sector Development) are:

- a) **Introduction of new technology** in cooperation with private business partners (Green Innovation Centres (BMZ/GIZ) / Pilot Farms (BMEL):
 - Good cooperation with the target group on site and adoption of the technology through local testing

- b) **Practical training & working with (private) extension services** is still a key factor for success
 - Use available information and link to digitalization (ICTs) for
 - (i) reaching out to remote areas and
 - (ii) addressing youth through attractive and “hip” technology.

- c) **Agricultural Finance / VC Finance**
 - VC actors require “finance knowledge”, finance sector requires “agric. knowledge”!



THANK YOU!

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