Inclusive Growth Models for Agricultural Diversification

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A sustainable, scalable inclusive solution requires that a company help create a new ecosystem that replaces its business models with ones that are more profitable for all actors and capable of bringing more people into the formal economy.

Most agricultural ecosystems are not working well for anyone
Short term, transactional relationships discourage needed transformational investment

**Food companies and processors**
cannot secure reliable supplies from local sources that meet quality, safety, cost, and volume requirements

**Rural households and farmers**
struggle to make a good living from agriculture, and lack access to markets, technology & finance

**Traders and aggregators**
lack the financing and market linkages to build post-harvest infrastructure

**Financial institutions**
struggle to find bankable opportunities

**Equipment and input providers**
want to grow by selling to small farmers but these lack the money to pay
Identifying opportunities for value creation in the maize and legumes ecosystem

How to integrate the smallholders and create 5X more value relative to existing system

1. Farm to market linkage and post harvest infrastructure
2. Access to technology package for on farm productivity/crop rotation
3. Offtake commitments
4. Unlocking finance

Diagram: 
- Inputs & equipment
- Commercial farms
- Smallholders
- Modern post-harvest handling
- Financing
- Imports
- Exports
- Animal feed
- Processed food
- Informal intermediaries, traders
- Informal markets

Value creation opportunity
Formal system
Informal system
Weak relationships
Successful inclusive growth strategies hinge on four Guiding Elements:

1. **Be Bold**
   - Ambitious goals need ambitious projects

2. **Collaborate**
   - Partnership drives transformation

3. **Unlock Capital**
   - Mobilize external capital for impact investing

4. **Sustain & Scale**
   - Govern and Grow the new ecosystem

How do we build collaborative business models to drive ecosystem transformation.

+productivity

+innovation

+commercialisation

+funding
THANK YOU