ASPEN NETWORK OF DEVELOPMENT ENTREPRENEURS

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PLENARY REPORT

ANDE PAN AFRICA CONFERENCE 2025

DAKAR | FEB. 11 - 13

ada

HEIFER INTERNATIONAL SENEGAL

MEDA

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PANGEA GLOBAL VENTURES

ENTREPRENEURSHIP TO THE POINT

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ANDE
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2025

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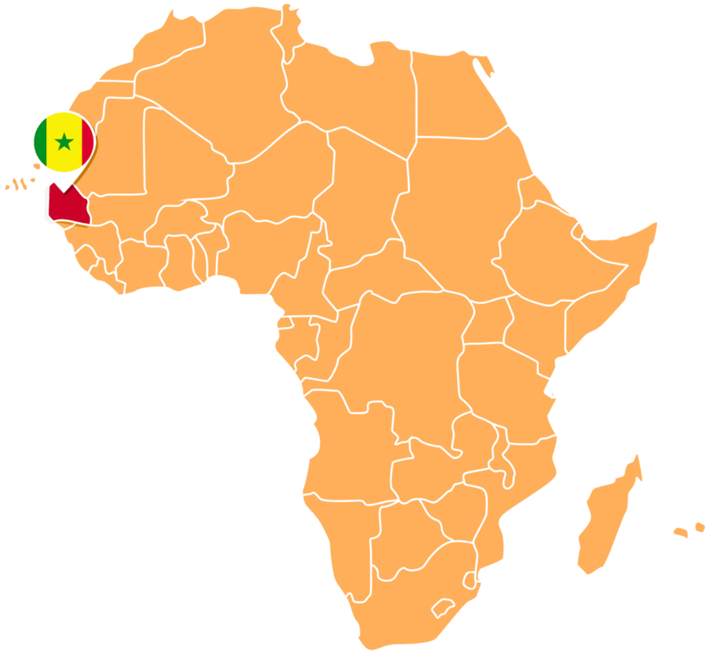
From **February 11-13**, **2025**, ANDE hosted the groundbreaking **Pan Africa Conference** in **Dakar, Senegal**. This event brought together passionate individuals, organizations, and entrepreneurs from across the continent to tackle some of Africa's most pressing challenges and explore collaborative solutions.



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DEVIN CHESNEY'S WELCOMING REMARKS

Devin Chesney, Interim Executive Director (Aspen Network of Development Entrepreneurs), opened the event by welcoming attendees and acknowledging both newcomers and experienced participants. He encouraged those new to ANDE's major events to connect with seasoned attendees for guidance.

Chesney introduced ANDE's core mission: supporting small and growing businesses (SGBs)—a term created 15 years ago to distinguish growth-oriented entrepreneurs from traditional SMEs. These businesses play a vital role in economic development, driving job creation, long-term economic growth, and social impact. ANDE operates as a global network that helps these entrepreneurs succeed by providing resources, funding, and advocacy.

ANDE's strategy consists of two key pillars:

- Maximizing effectiveness in supporting entrepreneurs – ANDE works to identify and promote best practices in business development services (BDS). Research shows that high-performing BDS programs generate 10-12x return on investment per dollar invested. To enhance impact, ANDE offers training, conferences, and measurement tools to improve its members' effectiveness.
- Building stronger entrepreneurial ecosystems – The long-term goal is to create self-sustaining ecosystems where local actors continue to support entrepreneurship without external intervention. ANDE fosters regional collaborations, fundraising efforts, and policy advocacy to strengthen these ecosystems.

To ensure ANDE members get the most value, organizations should engage in four key areas:

- Impact Measurement – Access tools and conferences to track and improve entrepreneurial support.
- Leadership Development – Participate in peer networks and knowledge-sharing forums.
- Communications & Visibility – Leverage ANDE's platforms to amplify their work.
- Partnerships & Fundraising – Work with ANDE to secure funding and build strong partnerships.

Chesney introduced Scale360, a new acceleration initiative based on years of research on effective entrepreneurial support. This program, launching in Senegal, South Africa, and Zambia, provides a diagnostic toolkit, peer workshops, and mentoring. Additionally, he announced the Metrics from the Ground Up conference in Nairobi (May 6-8) for impact measurement professionals.

A major announcement was the ANDE Champions Program, which aims to expand ANDEs presence in countries without ANDE staff. Each regional chapter will select a champion to organize four events annually, with incentives such as membership fee discounts and financial support.

Chesney emphasized that entrepreneurial ecosystems need more than capital—they need strong pipelines of investable businesses. Many discussions focus on a trillion-dollar SME financing gap, but ANDE argues that the real issue is not a lack of capital, but the absence of businesses ready to absorb it.

To address this, Development Finance Institutions (DFIs) should partner with development agencies to fund non-financial business support services. Research indicates that allocating just 8% of Official Development Assistance (ODA) to entrepreneurship could boost Africa's GDP by 61% within a decade.

Finally, Chesney highlighted ANDE's global advocacy efforts, including participation in the UN Financing for Development conference, where ANDE will push for policy changes that prioritize ecosystem-building over mere capital mobilization. He called for active engagement, urging attendees to network, provide feedback on advocacy messages, and explore opportunities to strengthen their ecosystems.

Key Takeaways

- ANDE supports small and growing businesses (SGBs) as key drivers of economic development.
- ANDE's two strategic pillars focus on entrepreneurial effectiveness and ecosystem building.
- High-performing business development services (BDS) yield 10-12x ROI per dollar invested.
- Allocating 8% of ODA to entrepreneurship could increase Africa's GDP by 61% in 10 years.
- ANDE is shaping global policy at the UN Financing for Development conference to advocate for ecosystem-first approaches.
- Financing gaps are not the real issue—the challenge is building a pipeline of investable businesses.
- DFIs should collaborate with development agencies to fund non-financial business support services.

Action Points

- Maximize ANDE Membership Benefits – Engage in impact measurement, leadership development, communications, and fundraising.
- Join SCALE360 – Apply for peer workshops, mentoring, and diagnostic tools to enhance business acceleration programs.
- Attend the Metrics from the Ground Up Conference – Join in Nairobi (May 6-8) for impact measurement training.
- Explore the ANDE Champions Program – Consider applying to lead local engagement efforts and receive financial incentives.
- Strengthen Entrepreneurial Ecosystem Collaboration – Improve networking and partnerships to create self-sustaining support structures.
- Shift the Narrative on SME Finance – Advocate for pipeline-building, not just capital mobilization.
- Encourage DFIs to Support Non-Financial Services – Push for grant funding for business support initiatives.
- Engage in Global Policy Advocacy – Contribute to ANDE's efforts at the UN Financing for Development conference.

MINISTRY REPRESENTATIVE DR. BABACAR SANÉ BA, THE AMBASSADOR, DIRECTOR OF PARTNERSHIPS AND ECONOMIC AND CULTURAL PROMOTION

Babacar Sané Ba, Ambassador and Director of Partnerships and Economic and Cultural Promotion, emphasized the importance of inclusive entrepreneurship in Africa's development. Speaking on behalf of the Ministry of African Integration and Foreign Affairs, he welcomed foreign delegations to Dakar and congratulated the event organizers for strengthening African integration in alignment with the vision of President Bassirou Diomaye Faye. He highlighted Africa's wealth—not just in natural resources and youth but also in human potential, which is key to driving sustainable economic growth.

Ba stressed that inclusive entrepreneurship is not just a concept but a daily reality for many African entrepreneurs who struggle to turn their ideas into businesses. These individuals do not seek charity but opportunities, recognition, and access to resources. However, they face significant challenges, including limited financing, inadequate infrastructure, difficult access to training, and market restrictions. Despite these obstacles, Ba believes that small and medium-sized enterprises (SMEs) can be the pillars of Africa's economic and social transformation, as they employ the majority of the population and support millions of families.

To unlock the full potential of SMEs, Ba called for a rethinking of support mechanisms highlighting that it is not enough to provide funding; African governments must create an environment that fosters innovation, growth, and sustainability.

In this vision, the State must act as a facilitator, the private sector as a strategic partner, and civil society as an engaged ally.

Bridging the gap between rural and urban businesses, linking small enterprises to larger markets, and integrating today's Africa into a more prosperous future are essential steps.

A crucial aspect of inclusion is the empowerment of women and youth. Women, who often sustain family and community economies, must be provided with the tools and support to create wealth and build resilient economic ecosystems. Similarly, young people—full of energy and ambition—need opportunities to showcase their skills and contribute to economic progress.

Ba emphasized the importance of digitalization in overcoming traditional barriers. Digital tools and technology provide African entrepreneurs with access to markets, financing, and investment opportunities, breaking geographical limitations and opening new economic horizons, including in European markets. He urged all African nations to invest heavily in digital transformation, not as a goal in itself but as a catalyst for entrepreneurial success.

Beyond individual entrepreneurship, Ba underscored the necessity of regional economic integration through initiatives like the African Continental Free Trade Area (AfCFTA). By strengthening global value chains, AfCFTA allows African entrepreneurs to compete beyond national borders, unlocking economic potential across the entire continent. He called for strong political will, determination, and patience to build dynamic and inclusive entrepreneurial ecosystems, shaping a fairer and more prosperous Africa.

Closing his speech, Ba invoked the words of Amadou Mbappé, stating: "In Africa, when a child walks, it is a whole village that supports them." He extended this sentiment to entrepreneurs, dreamers, and builders, calling for a collective effort to support and uplift African entrepreneurship. He expressed gratitude to the attendees for their commitment to transforming entrepreneurship into a force for sustainable development and wished them success.

Key Takeaways

- African SMEs are the backbone of the economy, employing most of the population and sustaining millions of families.
- Entrepreneurs need opportunities, not charity, but they face challenges such as limited financing, poor infrastructure, and restricted market access.
- Governments, the private sector, and civil society must work together to foster sustainable entrepreneurship.
- Women's economic empowerment is essential—supporting women entrepreneurs leads to stronger and more resilient economies.
- Digital transformation is a game changer—technology provides entrepreneurs with global market access and financing.
- Regional economic integration (AfCFTA) is key—African entrepreneurs must be empowered to expand beyond national markets.
- Strong political will and determination are required to create inclusive and dynamic entrepreneurial ecosystems.

Action Points

- Enhance SME Support Systems – Develop policies that foster entrepreneurship beyond financial assistance, including training, infrastructure, and innovation incentives.
- Strengthen Women's and Youth Entrepreneurship – Implement targeted programs to empower women and young entrepreneurs with resources, mentorship, and financial support.
- Invest in Digital Transformation – Promote technology adoption and digital literacy to help African entrepreneurs access international markets.
- Encourage Public-Private Partnerships – Governments must partner with businesses and civil society to create a strong entrepreneurial ecosystem.
- Leverage Regional Trade Opportunities – Advocate for AfCFTA implementation to enable African SMEs to scale and compete regionally.
- Facilitate Rural-Urban Business Links – Bridge the gap between rural and urban enterprises by improving market access and infrastructure.
- Advocate for Policy Reforms – Push for business-friendly policies that remove barriers for small business growth.
- Promote Inclusion in Economic Planning – Ensure that women, youth, and underrepresented groups are active participants in economic strategies.

ADA SPONSOR, AURÉLIE SOETENS' REMARKS

Aurélie Soetens, Knowledge Management Officer & Gender Lead at ADA, opened her speech by welcoming attendees to the ANDE Conference, emphasizing the importance of inclusive entrepreneurship in Africa. Representing ADA (Appui au Développement Autonome), a Luxembourg-based NGO specializing in inclusive finance, she highlighted ADA's commitment to supporting small and growing businesses (SGBs) by providing technical assistance and tailored financial solutions.

ADA initially focused on microfinance institutions, helping them design financial services for subsistence-level entrepreneurs, particularly women and young people. Over time, these institutions evolved into professional financial entities, serving a broader market, including smallholder farmers and SGBs.

Recognizing the critical role of SGBs in economic growth, innovation, and job creation, ADA expanded its scope to support them more effectively.

Despite their economic importance, SGBs face significant challenges, with lack of access to finance being the most critical. Many investors view SGBs as high-risk enterprises due to concerns over entrepreneurial skills, financial management, and return on investment. Additionally, these businesses often struggle with maintaining financial records and providing transparent financial projections, further limiting their ability to attract funding.

To address these challenges, ADA employs a multi-stakeholder approach, bringing together entrepreneurs, business development service providers, investors, and government actors to create a holistic support system for SGBs. A key initiative, the YES-FI (Young Entrepreneurs Sustainable Financing Initiative), connected entrepreneurship support organizations with financial institutions, providing young entrepreneurs with business management training; revenue-based loans tailored to their needs and market access opportunities.

ADA is also exploring digital solutions to improve financial management for entrepreneurs. By collaborating with technology providers, they aim to make financial data collection, analysis, and reporting more accessible and affordable. This, in turn, will help entrepreneurs manage their businesses more effectively and build investor confidence.

Soetens expressed enthusiasm about the ideas, partnerships, and actions that would emerge from the conference, thanking ANDE for organizing a platform that amplifies the voices of the Global South and strengthens its members' impact, stating that ADA was proud to sponsor the ANDE Pan-Africa Conference in Dakar.

To continue the conversation beyond the event, Soetens announced the upcoming African Inclusive Finance Week 2025, scheduled for October 13-17 in Kenya.

Key Takeaways

- ADA specializes in inclusive finance, originally supporting microfinance institutions but now focusing on small and growing businesses (SGBs).
- SGBs play a crucial role in economic development, but they face barriers to finance, risk perception issues, and financial management challenges.
- Investors hesitate to fund SGBs due to concerns over entrepreneurial skills, financial records, and return on investment.
- ADA's multi-stakeholder approach involves entrepreneurs, financial institutions, business support providers, and policymakers to create holistic support systems.
- The Young Entrepreneurs Sustainable Financing (YES-FI) initiative provided young entrepreneurs with business training, revenue-based loans, and market access.
- ADA is exploring digital financial solutions to help entrepreneurs improve financial management and demonstrate their potential to investors.

Action Points

- African Inclusive Finance Week 2025 will take place in Kenya (October 13-17) to continue discussions on financial inclusion and inclusive entrepreneurship.
- Enhance Financial Inclusion for SGBs – Develop and expand tailored financial solutions that address their specific needs.
- Improve Investor Confidence – Strengthen entrepreneurial training and financial literacy to mitigate investor risk concerns.
- Promote Digital Financial Tools – Encourage the adoption of technology-driven financial management solutions to improve transparency.
- Strengthen Multi-Stakeholder Collaboration – Foster partnerships between entrepreneurs, financial institutions, and business support organizations.

Opening Plenary

ALIGNING AFRICA'S ENTREPRENEURIAL ECOSYSTEM STAKEHOLDERS (DFIS, PE FUNDS, VC, BANKS, MFIS, GOVERNMENTS, BDSPS) TO STRENGTHEN THE SUPPORT AND FINANCING PROVIDED TO SGBS

Moderator:

- Said Sako (Co-founder & Partner, Comuniti Capital)

Panelists:

- El-hadj Bah – DFI Chief Policy Economist, African Development Bank Group (AfDB), Côte d'Ivoire
- Mame Aby Sèye – Specialist in Territorial Development, Inclusive Economy, and Innovative Entrepreneurship
- Marguerite Tall – Investment Manager, AFIG Fund, Senegal
- Jeremy Hajdenberg – Co-CEO, Investisseurs et Partenaires, Paris

This discussion focused on the urgent need for better coordination among key stakeholders in the financial ecosystem, including Development Finance Institutions (DFIs), Private Equity (PE) and Venture Capital (VC) funds, Banks, Microfinance Institutions (MFIs), Governments, and Business Development Service Providers (BDSPs).

These entities play a crucial role in financing, supporting, and enabling Small and Growing Businesses (SGBs), which constitute 80% of African economies. However, despite their critical role in job creation and economic development, SGBs continue to struggle with limited access to finance, infrastructure gaps, and systemic inefficiencies.

While numerous financial and non-financial support mechanisms exist, a fragmented approach among stakeholders reduces overall impact. The session highlighted the importance of collaboration, ecosystem-building, and scalable financing solutions to unlock the full potential of SGBs.

A multi-stakeholder approach that includes policy alignment, localized financing models, and investment-readiness programs is essential for addressing systemic challenges and fostering sustainable economic growth.

Key Contributions from Panelists

1. T**he African Development Bank (AfDB) – El-hadj Bah**

El-hadj Bah outlined AfDB's strategic approach to supporting SGBs, emphasizing that private sector development is a key driver of economic transformation. AfDB's interventions are structured around five core pillars:

- Enabling Environment: AfDB works with governments to support policy reforms that remove regulatory bottlenecks, making it easier for entrepreneurs to start and operate businesses.
- Infrastructure Development: Recognizing that poor infrastructure is a major constraint on business growth, AfDB invests in energy, transport, and digital infrastructure to support enterprise development.
- Capacity Building: Many African entrepreneurs lack business and financial management skills, which are often a greater barrier than access to finance. AfDB integrates training programs to enhance entrepreneurial capabilities and investment readiness.
- iMarket Access: By connecting African entrepreneurs to regional and global value chains, AfDB ensures that SGBs have sustainable growth pathways beyond their immediate local markets.
- Access to Finance: AfDB channels capital through private equity funds, banks, and microfinance institutions, ensuring that funding reaches local businesses.

AfDB has invested in 74 private equity (PE) funds across Africa, demonstrating its commitment to mobilizing capital for SGBs at scale. Additionally, the bank has launched Youth Entrepreneurship Investment Banks in Liberia, Ethiopia, Nigeria, and Côte d'Ivoire—an integrated model that combines policy support, financial institutions, and business capacity-building initiatives to create a more inclusive and sustainable financing ecosystem for young entrepreneurs.

2. **Government & Inclusive Economy Perspective – Dr. Mame Aby Seye**

Representing the government's role in SGB financing and ecosystem development, Mame Aby Seye emphasized that public-private partnerships (PPPs) are essential for sustainable enterprise growth. Governments must work alongside DFIs, investors, and BDSPs to develop financing models that are effective, inclusive, and scalable. She identified four key areas where governments can drive change:

- Public-Private Partnerships (PPPs): Governments must collaborate with financial institutions, investors, and development partners to create financing mechanisms tailored to small and medium enterprises (SMEs).
- Decentralized Support Structures: Many rural entrepreneurs lack access to finance and business development services. Governments must invest in localized financial solutions and capacity-building programs to support businesses beyond major urban centers.

- Policy and Incentives: Business-friendly policies, tax incentives, grants, and regulatory reforms can reduce barriers for SGBs and make financing more accessible.
- Gender & Youth Inclusion: Women and young entrepreneurs must be prioritized in funding programs, training initiatives, and capacity-building efforts to ensure inclusive economic growth.

Dr Mame Aby also stressed the importance of bridging the rural-urban divide by ensuring that entrepreneurs, regardless of location, have equal access to financing, infrastructure, and support systems. This approach not only promotes economic equity but also stimulates local job creation and economic resilience.

3. **Private Equity & Investment Perspective – Marguerite Tall (AFIG Fund)**

Marguerite Tall discussed the role of private equity in financing SGBs and the challenges that hinder investment in early-stage businesses. She highlighted three major obstacles:

- Lack of Small-Scale Investment Funds: Most large PE funds prefer investing in mid-sized and large businesses, leaving early-stage SGBs underserved due to their higher risk profiles and lower capital needs.
- Building Local Investment Teams: There is a shortage of skilled African-based fund managers who can effectively manage PE and VC investments at the SGB level. Local capacity-building is crucial to creating more regionally-led investment firms.
- Mobilizing Local Capital: African SGBs rely heavily on international investors, yet there is significant untapped potential in local funding sources. Encouraging African pension funds, sovereign wealth funds, and corporate investors to participate in SME financing would create more sustainable funding mechanisms.

Marguerite cited Teranga Capital in Senegal as a successful example of a locally-led investment initiative. Teranga Capital raised capital from African investors, including sovereign wealth funds and telecom companies, to finance 15 high-growth SMEs demonstrating that local investors can play a bigger role in financing Africa’s SGB ecosystem, reducing over-reliance on foreign capital.

4. **SME Finance & Impact Investing – Jeremy Hajdenberg (Investisseurs et Partenaires, Paris)**

Jeremy Hajdenberg emphasized that investing in SGBs requires more than just capital—it must be coupled with strategic guidance, technical assistance, and patient capital. He highlighted three critical areas for improving SME financing:

- Challenges in Early-Stage Funding: Many African businesses struggle to raise even modest amounts (€50,000 – €100,000), limiting their ability to scale. Financing solutions must be tailored to address this funding gap.
- Blended Finance Approaches: The most effective financing models combine grants, equity investments, soft loans, and technical assistance, reducing the financial risk for entrepreneurs while ensuring business sustainability.
- Regional Investment Ecosystems: More African-led private equity and venture capital firms are needed to ensure that capital is deployed strategically and supports long-term business growth.

Jeremy called for deeper collaboration between financiers, technical assistance providers, and government agencies. Strengthening these partnerships would ensure that investments are not only financially successful but also contribute to broader economic and social development goals.

Key Takeaways

- SGBs contribute 80% of Africa's economy, making their success critical for sustainable growth.
- Multiple stakeholders (DFIs, PE/VC funds, banks, MFIs, and governments) provide financing, but better alignment is needed.
- Entrepreneurs face challenges beyond financing, including capacity-building gaps, market access issues, and regulatory hurdles.
- AfDB supports SGBs through infrastructure development, policy reform, and financial investments.
- Private equity must focus on smaller, localized investment funds to effectively support early-stage businesses.
- Blended finance models (grants, equity, loans, guarantees) help de-risk investments in SGBs.
- African-led investment firms are essential to ensure long-term, sustainable financing solutions.

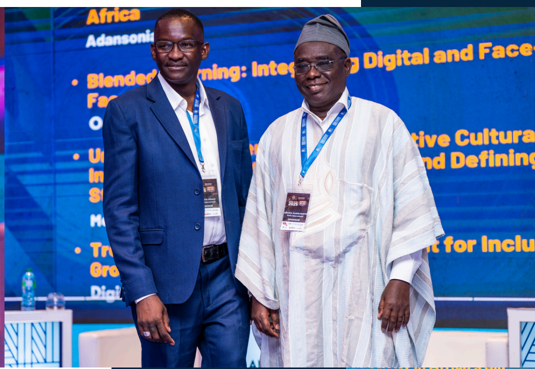
Action Points

- Enhance Collaboration Among Stakeholders – Strengthen coordination between DFIs, PE/VC funds, banks, MFIs, and governments to align financial and non-financial support for SGBs.
- Improve Capacity-Building for Entrepreneurs – Invest in training programs and business advisory services to bridge skill gaps.
- Develop Locally-Led Investment Models – Support African-based PE and VC firms to scale financing solutions for SGBs.
- Expand Blended Finance Approaches – Combine grants, equity, soft loans, and guarantees to reduce investment risks.
- Promote Youth & Gender-Inclusive Entrepreneurship – Governments and investors should prioritize women and young entrepreneurs in funding programs.
- Strengthen Regional Investment Ecosystems – Scale initiatives like Teranga Capital in Senegal to build locally-driven funding networks.
- Increase Early-Stage Financing Options – Address the €50,000 – €100,000 funding gap to help startups grow.
- Foster Public-Private Partnerships (PPPs) – Governments should work with private investors and DFIs to create sustainable financing models for SGBs.

Sponsored Plenary

THE FUTURE OF AGRICULTURE IN THE SAHEL: INVESTING IN INNOVATION & CATALYTIC FINANCING

Heifer International



Moderator:

- Oumar Diouck

Panelists:

- Wangui Muna, Director, Innovative Finance, Heifer Africa
- Daouda Ndao, Interim Country Director, Heifer Senegal
- Dr Alé Kane, Director of the UGB Incubator, University Gaston Berger of St-Louis
- Elhadji Moussa KA – Executive Director, Yeesal Agri Hub
- Mrs Fatma FALL DIEYE, General Director, La Banque Agricole (LBA)

Agriculture remains the backbone of the Sahel region's economy, with over 80% of the population engaged in farming. However, the sector continues to face persistent challenges, including climate change, land degradation, limited access to financing, and slow technological adoption.

The Heifer International-led session explored how innovation and catalytic financing can revolutionize agriculture in the region, creating a more resilient, productive, and inclusive agricultural ecosystem. The discussion featured key industry experts, agripreneurs, and financial leaders who shared insights on leveraging agritech, designing innovative financing models, and engaging youth to transform the sector.

The keynote speaker, Wangui Muna, Director of Innovative Finance at Heifer Africa, opened the session by addressing the critical challenges facing agriculture in the Sahel. She emphasized that smallholder farmers—who form the majority of agricultural producers—rely on rain-fed agriculture, making them highly vulnerable to droughts and extreme weather conditions. Additionally, farmers struggle with market access and financing constraints, preventing them from scaling their operations. To address these challenges, Heifer International is investing heavily in agritech innovations that enable farmers to access real-time weather updates, market linkages, and climate-smart advisory services. These solutions are designed to increase productivity, build resilience, and create long-term sustainability for farming communities.

A key initiative highlighted in the session was the Ayute Africa NextGen Challenge, which focuses on supporting youth-led agritech startups. The program identifies young entrepreneurs developing innovative solutions such as smart irrigation systems, mechanization services, and digital marketplaces to improve smallholder farming. Winners receive financial grants and mentorship to scale their innovations, which in turn enhances agricultural efficiency and boosts farmer incomes. The initiative also reinforces the importance of youth engagement in agriculture, considering that 60% of Africa's population is under 25 years old. By leveraging digital skills and entrepreneurial thinking, young innovators can drive agriculture into the future and make it a profitable business sector.

Despite the role of technology, Muna stressed that innovation alone is insufficient. Financial barriers remain a major hurdle for farmers and agripreneurs, limiting their ability to adopt new technologies or expand their businesses. To counteract this, Heifer International is pioneering catalytic financing models, including blended finance, impact investing, and risk-sharing agreements, that help de-risk agricultural investments. Traditional financing models often fail to support smallholder farmers due to their inability to provide collateral, making it difficult to secure loans. Through collaborations with financial institutions and investors, Heifer aims to develop financial products that are accessible, affordable, and tailored to the needs of rural farmers.

Innovative Financing in Action: Transforming Agriculture Through Capital Access

The session featured a video presentation demonstrating the impact of catalytic financing in reshaping agricultural productivity. One of the standout initiatives showcased was the Pay It Harvest Area Yield Index Insurance Initiative, which offers financial protection for farmers against climate-induced losses. This insurance model ensures that smallholder farmers can recover from extreme weather disasters, such as droughts and floods, allowing them to continue farming without falling into financial distress.

In addition to insurance, other innovative financial solutions included:

- Revolving Funds: A system where farmers receive pre-financed insurance premiums and only repay after harvesting their crops, reducing their financial burden.
- Risk-Sharing Partnerships: Agreements with insurance providers and financial institutions to distribute risks and ensure that farmers receive payouts when losses occur.
- Digital Financial Services: Mobile-based platforms that provide smallholder farmers with access to credit, insurance, and market prices, allowing them to make data-driven decisions about their agricultural activities.

These financial interventions have had a transformative impact on farming communities, with many farmers expanding their production from one-hectare farms to three-hectare farms, thanks to improved financial security and technological support. By offering financial inclusion and risk mitigation, these models promote long-term agricultural growth and resilience in the Sahel.

Panel Discussion: Scaling Agricultural Transformation Through Innovation and Partnerships
The panel brought together agriculture experts, financial leaders, policymakers, and agripreneurs to discuss strategies for enhancing agricultural resilience and financing in the Sahel. The discussion was structured around five key themes:

1. **The Role of Agritech in Agricultural Transformation**

Dr. Daouda Ndao, Interim Country Director of Heifer Senegal, emphasized that agritech is crucial for modernizing agriculture. He pointed to successful agritech solutions such as Hello Tractor and Sotiba, which provide mechanization services and smart water management tools for smallholder farmers. Despite these innovations, he noted that many young people remain reluctant to engage in agriculture, primarily due to a lack of training and limited financial access. He called for more investment in agripreneurs and technology-driven solutions.

2. **The Importance of Incubators and Accelerators**

Dr. Alé Kane, Director of the UGB Incubator, stressed the significance of business incubators and accelerators in mentoring and training young agricultural entrepreneurs. Universities, he argued, must integrate business acceleration programs that equip young agripreneurs with technical expertise and financial literacy to scale their ventures and attract investors.

3. **Bridging the Financing Gap for Smallholder Farmers**

Mrs. Fatma Fall Dieye, General Director of La Banque Agricole (LBA), discussed how financial institutions can develop tailored products for smallholder farmers. She acknowledged that traditional banks often view agriculture as a high-risk sector, leading to limited financing opportunities. LBA is now focusing on designing financial instruments that lower risks for both farmers and lenders, including low-interest loans and government-backed guarantees.

4. **The Role of Public-Private Partnerships in Agricultural Growth**

Mr. Elhadji Moussa KA, Executive Director of Yeesal Agri Hub, highlighted that public-private partnerships (PPPs) are essential for large-scale agricultural transformation. He advocated for government incentives that attract private investors into the sector, creating a more dynamic agricultural value chain.

5. **Youth-Led Agritech Startups as Catalysts for Change**

Ms. Aja Abinata Sisejo, co-founder of Sotiba Tech, shared her experience as a 2022 Ayute Africa Challenge winner. Her startup specializes in solar-powered irrigation solutions, which improve water efficiency and reduce agricultural losses. Her company is now scaling its operations across Senegal, Mali, and Madagascar, demonstrating the potential of youth-led agritech startups to drive agricultural innovation.

Key Takeaways

- Agritech innovations such as smart irrigation, mechanization services, and digital trading platforms are transforming smallholder farming.
- Catalytic financing models, including blended finance and impact investing, help reduce financial risks and attract private investment.
- Youth engagement is critical for the future of agriculture, as young people bring digital solutions and entrepreneurship into the sector.
- Business incubators and accelerators play a key role in mentoring young agripreneurs and fostering innovation.
- Public-private partnerships (PPPs) can mobilize large-scale funding and drive agricultural transformation.

Action Points

- Expand Agritech investment opportunities to fund youth-led startups that develop climate-smart solutions.
- Design inclusive financial products such as low-interest loans, revolving funds, and crop insurance to support smallholder farmers.
- Promote digital financial services, enabling farmers to access credit, insurance, and market data through mobile platforms.
- Encourage partnerships between financial institutions and agribusinesses to increase funding opportunities for farmers.
- Strengthen training programs for young agripreneurs, ensuring they receive the mentorship, technical expertise, and funding needed for success.

Afternoon Plenary

ACCESS TO FINANCE FOR GROWTH - AGRIBUSINESS FINANCE: DRIVING GROWTH AND SOCIAL OUTCOMES THROUGH ACCESS TO FINANCE

Pangea Africa




Moderator:

- Doussou Khadija Kouyate, Senegal Pangea Global Ventures

Panelists:

- Lionel Kadja, Regional Director for West Africa, (Côte D'Ivoire) AGRA
- John Scicchitano, Pangea Africa Ltd.
- Jeremy Hajdenberg, Co-CEO, Investisseurs et Partenaires
- Wangui Muna, Director of Innovative Finance, Heifer International, Africa Programs

Introduction: The Role of Finance in Agribusiness Growth

Agriculture remains one of the most crucial sectors for Africa's economic development, contributing significantly to job creation, food security, and industrial growth. However, despite its potential, the sector continues to face a persistent and significant financing gap that limits its ability to scale, innovate, and adopt climate-smart solutions. Small and growing agribusinesses (SGBs) struggle to access capital due to various barriers, including high interest rates, stringent collateral requirements, and perceived investment risks by financial institutions.

This session aimed to explore how finance can be leveraged to drive sustainable agribusiness growth and create positive social outcomes across the continent.

The conversation revolved around scaling financial solutions, identifying effective financing models, and addressing gaps in the current system.

The discussion also emphasized the urgent need for innovative financial instruments that align with the realities of African agribusiness, particularly in the face of climate change challenges.

Challenges and Barriers to Agribusiness Financing

A key issue discussed was the misalignment between traditional financial models and the needs of the agribusiness sector. Many banks and financial institutions view agriculture as a high-risk industry due to unpredictable weather patterns, fluctuating commodity prices, and long production cycles. As a result, banks impose stringent lending conditions, often requiring collateral that exceeds 125% of the loan value. This makes it nearly impossible for smallholder farmers and early-stage agribusinesses to access the funding they need.

Another major challenge is the long and complex due diligence process required for securing financing. Agribusinesses often have to wait over a year before receiving capital, by which time planting seasons may have passed, and market conditions may have changed. This slow turnaround time hinders the ability of agribusinesses to respond to market demands, leading to missed opportunities and financial instability.

As John Scicchitano (Pangea Africa) pointed out, having more capital available does not automatically solve the problem if there are not enough investment-ready businesses. This highlights the need for business development services and financial literacy programs to equip agribusinesses with the skills needed to manage and grow their enterprises.

Moreover, climate change presents an increasing challenge to agricultural productivity, affecting crop yields and making farming more unpredictable. As a result, the session emphasized the need for climate-resilient investments that support farmers in adopting drought-resistant crops, sustainable irrigation systems, and climate-smart technologies. The discussion stressed that climate finance must be structured to support long-term resilience rather than short-term relief efforts.

Innovative Financing Models and Solutions

Despite these challenges, there are several emerging financial models that are making a difference in Africa's agribusiness sector. One such approach is blended finance, which combines public and private sector funds to de-risk agribusiness investments and encourage more private capital into the sector. Risk-sharing mechanisms, such as loan guarantees and insurance schemes, have also been successful in reducing the risk perception of agribusiness financing, making it easier for banks and investors to provide capital.

Value chain financing is another promising approach. This model allows large agribusiness buyers and input suppliers to finance smaller businesses within their supply chains. By leveraging contract-based financing and strategic partnerships, smallholder farmers and agribusinesses can access credit with less reliance on traditional banking structures.

Digital lending and alternative credit scoring models have also emerged as game-changers in agricultural financing. By using mobile money transactions, farm productivity data, and transaction records, lenders can assess creditworthiness without requiring traditional collateral. This has opened doors for smallholder farmers and agribusinesses that were previously excluded from formal financial systems.

Panelist Lionel Kadja (AGRA) discussed the consortium approach, which brings together various stakeholders—including seed companies, research institutes, agribusiness firms, and government agencies—to create an integrated financing system. He emphasized that building trust among stakeholders is critical to making these financial solutions work effectively and ensuring sustainability in the long run.

Success Stories: Financing Agribusiness Growth

A compelling success story shared during the session was that of MariCet Farms, a woman-led agribusiness working in the soy and oil palm sectors. Over a few years, the business:

- Increased revenue from under $1 million to over $3 million.
- Secured a $1 million investment to expand and support more smallholder farmers.
- Created employment opportunities, enhanced food security, and improved supply chain efficiencies.

This success was made possible through strategic investment facilitation, value chain financing, and capacity-building support. The case study demonstrated that with the right financial support and business advisory services, agribusinesses can scale rapidly and achieve both economic and social impact.

At the same time, panelists acknowledged that not all financing attempts lead to success. Some businesses that secured funding failed to repay loans, leading to significant losses for investors. These cases underscore the need for better risk assessment, stronger business models, and more rigorous due diligence processes before financing is disbursed.

The Need for a Shift in Agribusiness Investment Strategies

To address these challenges, the panelists called for a fundamental shift in how agribusiness financing is approached. Investors and financial institutions were urged to:

- Move from short-term project financing to long-term ecosystem-building investments.
- Develop investment readiness programs that provide training and mentorship to agribusinesses.
- Collaborate with governments to create co-investment opportunities, ensuring local ownership and sustainability.

There was also a strong emphasis on speeding up financing processes. Many agribusinesses fail to survive the long wait for funding, making it crucial for financial institutions and development organizations to streamline their approval processes and reduce bureaucracy.

Key Takeaways

- Agribusiness finance must be tailored to the realities of farmers – Funding models must align with seasonal production cycles to ensure that repayments match cash flow.
- Investment readiness is as important as capital availability – Agribusinesses need strong financial structures, business models, and data-driven decision-making to attract investors.
- Blended finance and risk-sharing mechanisms can de-risk agricultural investments – Public-private partnerships, loan guarantees, and impact investing can help reduce risk perception in agriculture.
- Financial institutions must innovate – Banks should develop agriculture-specific lending products, adopt alternative credit scoring models, and expand digital financing solutions.
- Agribusinesses need more than just funding – Technical assistance, market access support, and infrastructure investments are crucial for long-term sustainability.
- Governments must play an active role – National policies should encourage agribusiness financing through subsidies, investment incentives, and co-funding initiatives.

Action Points

- Financial institutions must develop more flexible, agriculture-friendly financing mechanisms.
- Development organizations must reduce bureaucracy and speed up funding approvals.
- Agribusinesses must improve investment readiness and financial management.
- Governments must invest in the sector to create a sustainable, scalable financing system.

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