

# MasterCard assists 1.1 million African smallholder farmers

DAKAR, Senegal - Three of the leading organisations in Africa working with smallholder farmers have joined The MasterCard Foundation to reaffirm their commitment to provide farmers with more of the financial resources and agribusiness connections they need to succeed.



Image by 123RF

At a one-day workshop and learning event in Dakar, the partner – including AgDevCo, ICCO Cooperation, and Root Capital - outlined how the work they are conducting has already led to improvements for farmers in Africa. As well, ICCO Cooperation used the occasion to launch its STARS (Strengthening African Rural Smallholders) program in Senegal, after recent launches in Rwanda, Ethiopia, and Burkina Faso.

Collectively, these three organisations are expanding their support to improve the lives of a minimum of 1.1 million farmers in 11 countries: Burkina Faso, Côte d'Ivoire, Ethiopia, Ghana, Malawi, Mozambique, Rwanda, Senegal, Tanzania, Uganda, and Zambia.

"Smallholder farmers in Africa, need special attention to increase productivity and break out of their subsistence operation," said Ann Miles, director of financial inclusion at The MasterCard Foundation.

"We're proud to work with such strong partners as AgDevCo, ICCO Cooperation, and Root Capital to enable smallholders to produce more, sell better, and work with local organisations in markets that are fair, transparent, and sustainable."

Through its partnerships with AgDevCo, ICCO Cooperation, and Root Capital, The MasterCard Foundation supports multiple activities in the 11 countries. These activities include:

- Providing training and better quality inputs to farmers.
- Implementing mobile technology solutions.
- Brokering long-term purchase contracts.
- Supporting high-impact, early-stage agricultural businesses with capital needs under \$150,000 and/or business revenues under \$300,000.
- Developing and implementing innovative risk-mitigation tools.
- Developing new agricultural finance products and services for smallholder farmers.

"Linking smallholder farmers to profitable markets is one of the best ways of lifting large numbers of people out of poverty", said Chris Isaac, director of investments at AgDevCo. "The MasterCard Foundation's support will allow AgDevCo to connect our SME investees - socially responsible farming and agri-processing enterprises in Africa - to hundreds of thousands of farmers, to boost productivity, lift incomes and improve food security."

The STARS program is supporting rural smallholder farmers, mostly women, to access tailor-made financial services. Said Netlyn Bernard, STARS director: "We are using the 'Making Markets Work for the Poor' (M4P) approach to ensure that through capacity building and access to finance they can adopt sustainable agri-business methods and be competitive in the market. We believe that given the right opportunities and tools, farmers can become effective entrepreneurs, increase their income and therefore improve the economic situation of their households and of their communities."

Root Capital is targeting earlier-stage businesses in Africa operating on the fringes of financial inclusion, explained Mireille William, acting general manager for Root Capital in West Africa. "Together, we're committed to providing these high-impact businesses with the capital and training they need to become engines of impact in their communities."

The three partnerships are part of The MasterCard Foundation's portfolio of work supporting smallholder farmers in Africa. To date, the foundation has committed more than \$300 million to support agricultural initiatives (including \$175 million for rural and agricultural finance projects). For more information on the Foundation's work in agriculture and rural finance, visit <http://www.mastercardfdn.org/our-rural-and-agricultural-finance-strategy>.

**Source:** African Media Agency

For more, visit: <https://www.bizcommunity.com>