



**Expert Meeting on  
Investment, Innovation and Entrepreneurship for Productive  
Capacity Building and Sustainable Development  
30-31 March 2015**

**Financing of Inclusive Business Models in Emerging and Frontier Economies  
by**

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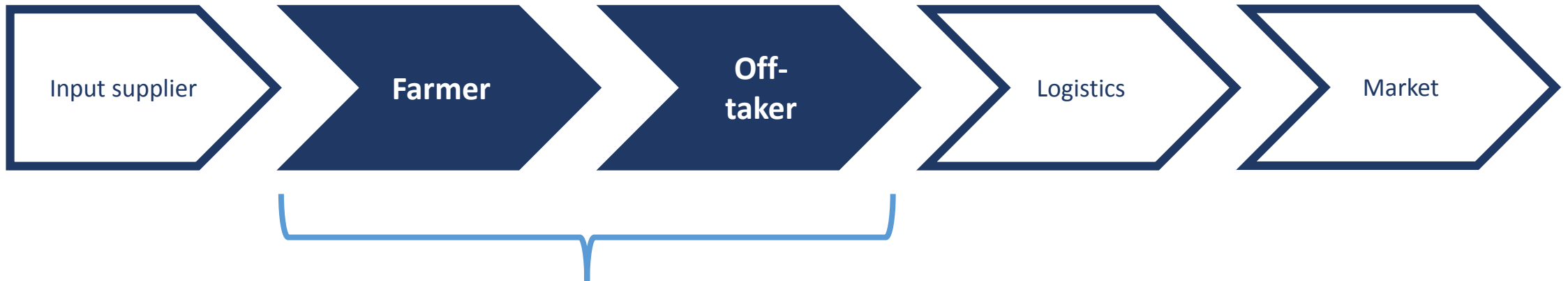
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# Financing of inclusive business models in emerging and frontier economies

**Africa Enterprise Challenge Fund**  
**Boleslaw Stawicki**  
Geneva, 30 March 2015

## Typical agricultural value chain

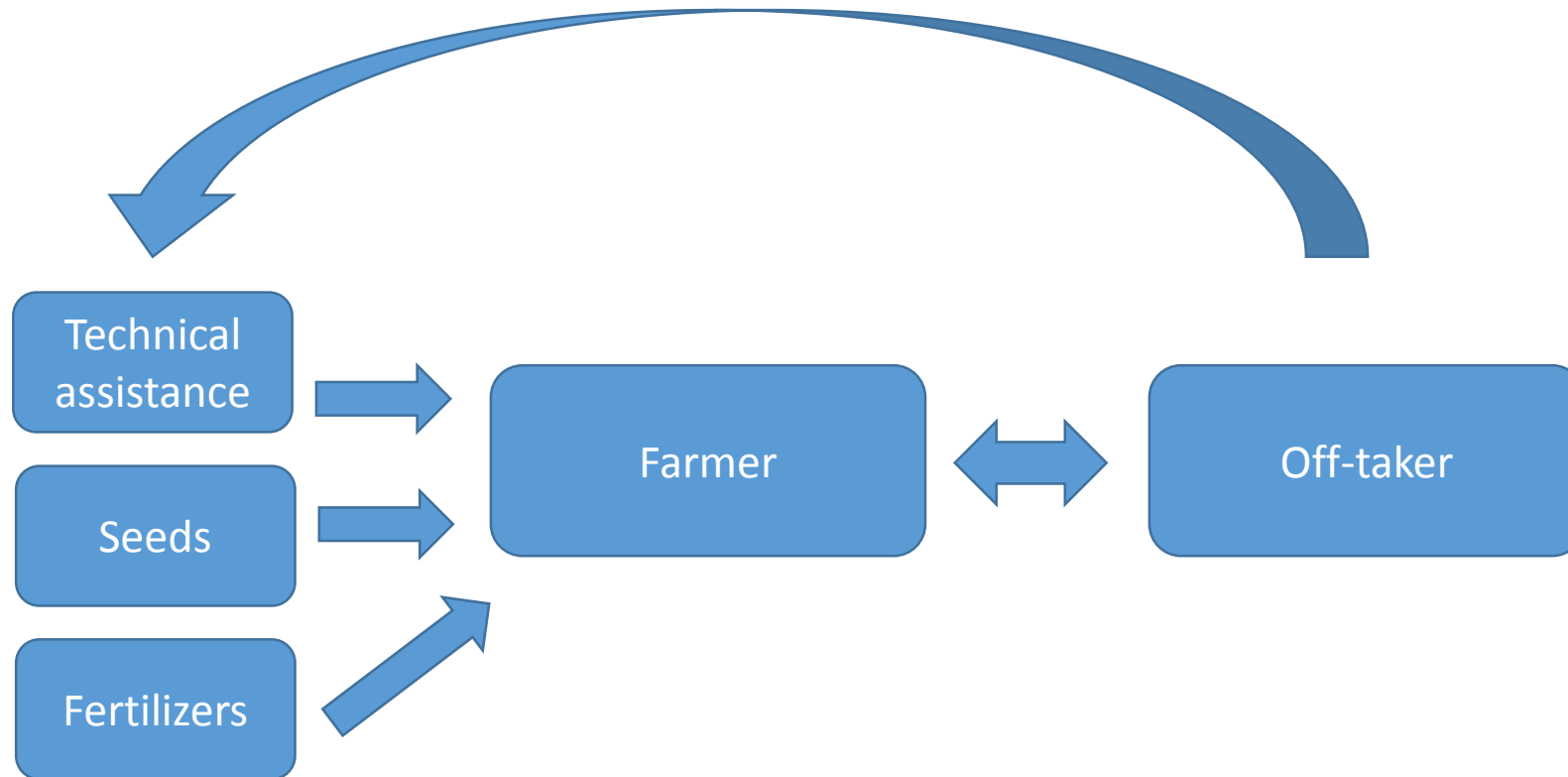
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A growing and successful off-taker will lift many smallholders out of poverty. Successful smallholder farmers will make the off-taker grow

# KEY TO SUCCESS – CONSISTENCY OF: QUALITY, QUANTITY AND ON TIME DELIVERY

The off-taker assumes multiple functions - in the context of an emerging economy financing needs are unique



# A CHALLENGE FUND FINANCES ALL KEY ELEMENTS OF SUCCESS, ESPECIALLY THE ONES FOR WHICH ACCESS TO FINANCE IS PROHIBITIVE

## A number of financial instruments are available

- Grants – for high risk investments such as technical assistance, capacity building
- Loans, convertibles, equity – e.g. for expansion of processing facilities

## Biolands – a case in point – a success story

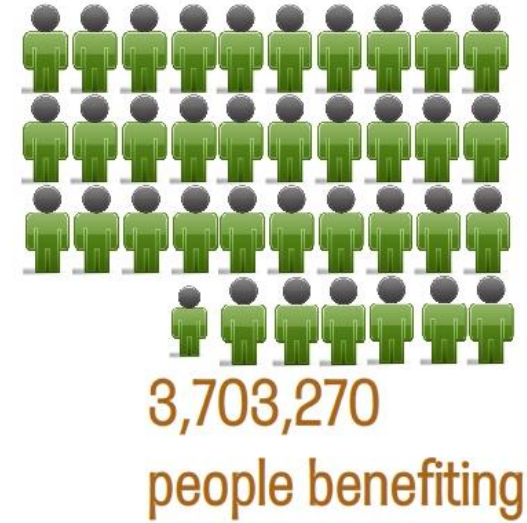
- Outgrower scheme – direct cooperation with 20 000 smallholder farmers
- Biolands – an offtaker who provides improved seeds and training
- AECF financed the company's business model
- Biolands was acquired by Barry Callebaut – the inclusive business model to be replicated



# ACCOMPLISHMENTS OF THE AECF AS A CHALLENGE FUND MECHANISM



or the equivalent of



Total Net Benefit

**\$66,113,334**