



ssnup
Smallholder Safety Net
Upscaling Programme

20

22

annual report

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annual report



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ABBREVIATIONS AND ACRONYMS

ADA	Appui au Développement Autonome
AVC(s)	Agricultural Value Chain(s)
CSAF	Council on Smallholder Agricultural Finance
ESG	Environmental, Social, and Governance
ESMS	Environmental and social management systems
FAO	Food and Agriculture Organization
FAR	Training in Agricultural and Rural Finance (in French: Formation en Finance Agricole et Rurale)
IISD	International Institute for Sustainable Development
LED	Liechtenstein Development Service
MFEA	Ministry of Foreign and European Affairs of Luxembourg
MFI(s)	Microfinance Institution(s)
PRM	Price Risk Management
SDC	Swiss Agency for Development and Cooperation
SDG(s)	Social Development Goal(s)
SIDI	Solidarité Internationale pour le Développement et l'Investissement
SMEs	Small and medium-sized enterprise(s)
SSNUP	Smallholder Safety Net Upscaling Programme
TA	Technical Assistance
TAF(s)	Technical Assistance Facility(ies)

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FOREWORD



Food systems are something that everyone taps into on a daily basis, as without them, we simply could not survive. Yet 10% of the world's population still goes hungry, while a third cannot access healthy diets. Volatile prices and a global food crisis have demonstrated how urgently food systems are in need of transformation. This will, among other things, require massive investments which enhance more equitable access to food while preserving the producing capacity of our planet.

1,000 million people work in agriculture, which is more than a quarter of all people in employment the world over, and half of these are smallholder farmers. In some African and Asian countries, agricultural employment accounts for more than 80% of the working population. Obviously, to enhance the productivity and income of smallholders by providing them with capital and technical assistance is to fight poverty in a very direct and tangible way. That we can achieve only by leveraging the incredible ingenuity and reach of the private sector. But while building economic livelihoods is one important outcome of a sustainable and resilient food system, so are two others: nutritious diets and planetary health.

This is why environmental protection and climate-smart farming practices have been written into the DNA of the Smallholder Safety Net Upscaling Programme, with an ever greater emphasis on agroecology. It is also why a good number of SSNUP projects target the promotion of affordable and nutritious foods. Principled concepts that at one time might have been seen as inimical to private sector investment have nevertheless been embraced by impact investors thanks to SSNUP's innovative funding mechanisms and approach to de-risking. It has been encouraging to watch the programme pick up speed over the course of 2022, and it is not too much to hope that SSNUP is pioneering one pathway to food system transformation which will be emulated by others.

We at SDC are hopeful that SSNUP's impact will not be confined to agriculture, but have a **transformative impact on processes right across food systems which raise environmental sustainability, improve nutrition outcomes and generate new livelihood opportunities for poor people.**



Bruce Campbell

—
Senior Policy Advisor,
Food Systems Section,
Swiss Agency for Development
and Cooperation



1. SSNUP AT A GLANCE



Introduction to the programme

For centuries, increasing agricultural productivity has driven improvements in living standards and well-being around the world. However, developing countries still face significant challenges such as rising undernourishment, low farming productivity and extreme weather events related to climate change. **With an estimated 475 million households involved in small-scale and low productive farming, the challenge is significant.** These smallholder households constitute the majority of the world's farming population and provide one third of global food and about 80% of the food produced in Africa and Asia, confirming the importance of strengthening their productivity to ensure food security (FAO, 2021).

Smallholder households face a whole range of challenges in accessing resources, technology, inputs, financing and market information, and are very vulnerable to external shocks such as extreme weather events and price volatility. Since growth of the agricultural sector is a key factor in reducing poverty, it is essential to strengthen and improve the safety nets for these important stakeholders.

The Luxembourgish and Swiss development agencies, together with LuxDevelopment and in collaboration with ADA, launched the **Smallholder Safety Net Upscaling Programme (SSNUP)** in 2020 to respond to the needs of smallholder households. The Liechtenstein Development Service joined the programme in 2021.



Global objective

The aim of the 10-year programme is to **sustainably strengthen the safety nets of 10 million smallholder households** resulting in an improved well-being of altogether 50 million low-income and highly vulnerable people through a systemic agricultural value chain development approach.

The programme focuses on 3 specific outcomes, each one integral to the overall objective of the programme:



1

Smallholder households

will enhance their productivity and/or resilience by using improved agricultural risk mitigation and transfer solutions, and adopting more sustainable and climate-smart farming practices in line with agroecological principles.



2

Agricultural value chains

will be strengthened by actors adopting more sustainable environmental and social business practices that generate increased income and jobs, as well as enhanced food security.



3

Investments

will increase and finance the expansion of agricultural value chains that comply with the global responsible agricultural investment principles and adopt sustainable environmental, social, and good governance standards.



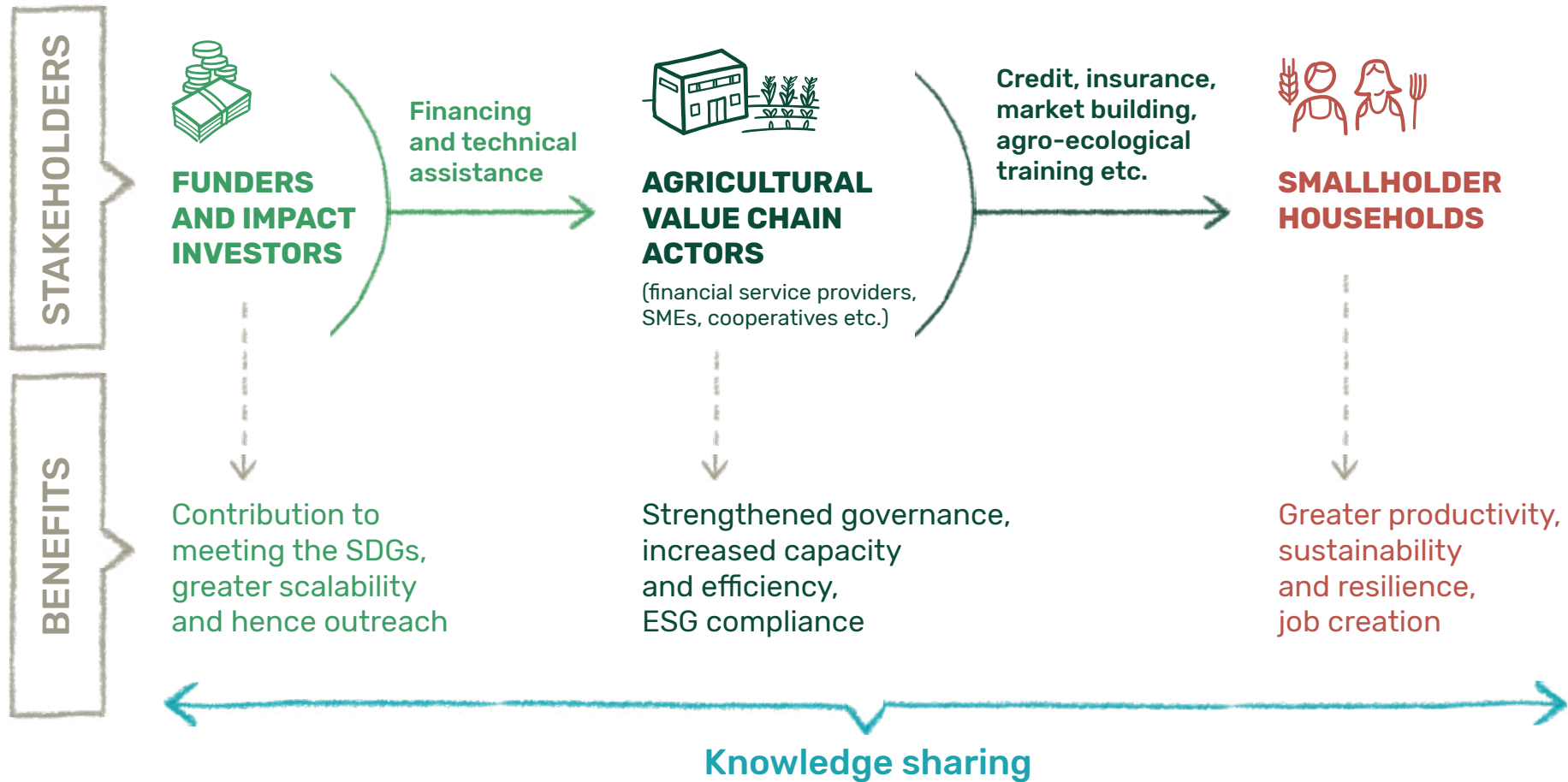
Implementation

The programme aims to **leverage the knowledge and partnerships of impact investors and their corresponding Technical Assistance Facilities (TAF)**, who are already active within the targeted agricultural value chains of SSNUP. **This innovative public-private partnership approach provides funding for TA projects** that not only strengthen the resilience of the smallholder households and the value chains within which they operate, but also de-risk the investments of the impact investors. **This approach therefore contributes to the growth of responsible investments in the agricultural sector.**



Strategic overview

In addition to providing funding for TA projects that will ultimately benefit smallholder households, the programme also aims to capture and disseminate all the knowledge gained and lessons learnt to make all stakeholders more efficient.



Stakeholders

Through public-private partnerships, the programme aims to bring together stakeholders of the most promising agricultural value chains through direct and indirect support and financing. These include the target beneficiaries (agricultural value chain actors, including smallholder households), service providers and business facilitators, and the four main ones mentioned here: **funders, impact investors, knowledge management partners, and the programme coordinator.**

Programme governance

The programme is governed by the **SSNUP Steering Committee**, which is the highest decision-making body of the programme and is composed of representatives from the funders, as well as the impact investors. Any new funder or investor that joins the programme will be invited to join the Steering Committee.

Funders



Luxembourgish Directorate for Development Cooperation and Humanitarian Affairs with the support of Lux-Development

The main objective of Luxembourg's development cooperation is to contribute to the eradication of extreme poverty and to promote economic, social and environmental sustainability.



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Swiss Agency for Development and Cooperation SDC

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SERVICE



The **Swiss Agency for Development and Cooperation (SDC)** aims to alleviate need and poverty around the world, foster respect for human rights, promote democracy and conserve the environment.

The **Liechtenstein Development Service (LED)** is committed to the sustainable and inclusive development of disadvantaged and marginalised regions of the world through the themes of sustainable food systems, with a focus on agroecology, and vocational training and employability.

The LED aims to strengthen the production bases that are essential for a sustainable food system, using the concept of agroecology. We are therefore pleased to partner with the SSNUP programme to support smallholder farmers and value chain actors through technical assistance projects and to contribute to a more inclusive and sustainable development of agricultural value chains. We also particularly value the large network coordinated by ADA and the fruitful exchange with impact investors within the SSNUP programme.



Marion Reichenbach

LED

Impact investors 1/2

The impact investors represent the private component in the public-private partnerships approach of SSNUP. **They are in fact the driving force of the programme** through which knowledge, technical assistance and funds are leveraged to achieve the final objectives of SSNUP.



Alterfin is an impact investment cooperative with the aim to improve the overall living conditions of disadvantaged communities **mainly in rural areas in low- and middle-income countries worldwide.**



Grameen Crédit Agricole Foundation is an investor, funder, technical assistance coordinator and fund advisor. It finances and supports microfinances institutions, enterprises and projects that **promote inclusive finance and rural development around the world.**



AgDevCo is a specialist investor in African agriculture, **supporting agribusinesses to grow, create jobs, produce and process food and link farmers to markets.** In addition to patient capital, AgDevCo provides tailored technical assistance to its investees.

Joined in 2022



Jasmin Hidanovic

AgDevCo

At AgDevCo, we are long-term partners for our investees and we support them to reduce risk, equip them with the right tools and know-how to succeed and scale, and to maximise the impact of their work throughout value chains. We provide both core business and inclusive business support, with a focus on gender equality, climate resilience and smallholder development. SSNUP has enabled us to scale our Technical Assistance Facility and provides flexibility to combine core business and inclusive business support. To date, we have used SSNUP funding to provide hands-on support to investees to develop and implement Environmental & Social Management Systems and to deepen impact on smallholder farmers in the macadamia value chain by providing them with a package of extension services, including video training and demo farms. We look forward to implementing more TA projects that benefit both commercial agribusinesses and the smallholder farmers they work with.



Incofin is an independent emerging countries impact fund manager **focused on financial inclusion, the agri-food value chain and safe drinking water**, guided by the purpose of driving inclusive progress and sustainable transitions.



Oikocredit is a social impact investor and worldwide cooperative with over five decades of experience in **leading positive change through investments in financial inclusion, agriculture and renewable energy.**



responsAbility Investments AG is a global pioneer in investing for impact specialised in private market investments in emerging economies across **three investment themes: climate finance, sustainable food and financial inclusion.**

Impact investors 2/2



Solidarité Internationale pour le Développement et l'Investissement (SIDI) - As a pioneer of social impact finance in France, SIDI has been financing and supporting local economic actors for over 40 years, mainly in Africa and Latin America, with the aim of **improving the living conditions of vulnerable populations.**



Symbiotics is the leading market access platform for impact investing, which mission is **to foster sustainable development in emerging and frontier economies** by connecting investors to local financial intermediaries, enterprises, and projects.



Bamboo Capital Partners is a specialist impact asset manager that works with development agencies and financial institutions to develop innovative financing solutions that deliver lasting impact at scale through its range of catalytic, commercial and blended impact funds.

Joined in 2022



Marie Puaux

Bamboo Capital Partners

Across the funds that we manage, Bamboo Capital Partners supports smallholder farmers through investments in agri-SMEs, farmer organisations as well as financial intermediaries active in the agricultural sector. These investments aim to support sustainable agribusiness value chains and ultimately improve the livelihoods of smallholder farmers. SSNUP has enabled us to complement our technical assistance offer and amplify the impact of our investments by funding complementary technical assistance interventions that will further catalyse positive impact for smallholder farmers.



Coordinator & knowledge manager



Appui au Développement Autonome (ADA) is a Luxembourg-based non-governmental organisation that strengthens the autonomy of vulnerable populations by leveraging inclusive finance to improve their living conditions.

Knowledge management partners



Council On Smallholder Agricultural Finance (CSAF) is a forum for agricultural investor to share learning, develop industry standards and best practices, and engage other stakeholders to address barriers to market growth and impact.



International Institute for Sustainable Development (IISD) is an independent think tank working to accelerate solutions for a stable climate, sustainable resource management, and fair economies.



2. APPROVED PROJECTS



*This chapter presents **aggregated data of approved projects since the launch of the programme**, a list of projects approved in 2022, and finally, a couple of project examples.*





Overview of approved projects

This section presents an overview of approved projects since the launch of the programme. It is important to highlight that this data derives from the projects and what they aim to achieve, therefore the objectives have not yet been reached. Nevertheless, the data illustrates the direction in which the programme is headed in terms of types of projects and types of beneficiary organisations,¹ while also providing an insight into future developments.

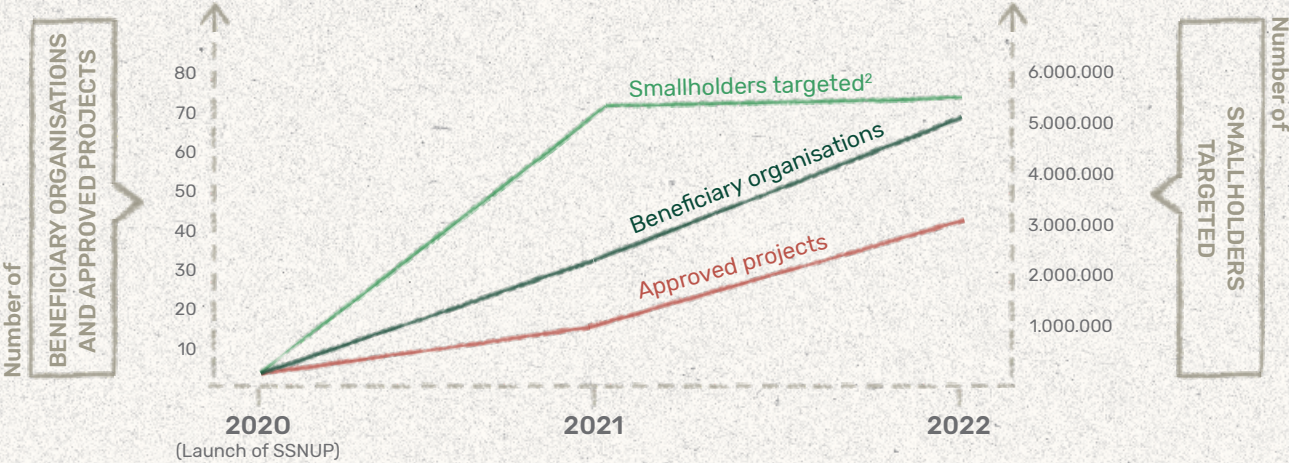
In its second fully operational year, the programme saw its first completed projects as well as a steadily increasing project pipeline: **4 projects were completed while 26 new projects supporting 36 beneficiary organisations were approved for SSNUP co-funding.** This is almost double the number of projects that were approved the previous year (14) and illustrates the programme’s continued relevancy and pertinence.

This brings the total amount of approved projects since the launch of the programme to 41 and the total number of beneficiary organisations to 65.

Approved projects

Indicators	2022	Total (2020-2022)
Number of projects approved	26	41
Number of beneficiary organisations supported	36	65
Number of smallholders targeted	156,568	5,495,678
Total TA project budget	€ 3,254,328	€ 7,141,648
<i>Co-funding from SSNUP</i>	(53%) € 1,716,478	(46%) € 3,243,186
<i>Co-funding from beneficiary organisations</i>	(36%) € 1,162,237	(33%) € 2,390,954
<i>Co-funding from other donors</i>	(12%) € 375,615	(21%) € 1,507,509
Average SSNUP funding per beneficiary organisations	€ 47,680	€ 49,895

Evolution of approved projects 2020-2022



¹ A beneficiary organisation is an agricultural value chain actor that is either an investee or a potential investee of one or more of the SSNUP impact investors who has received TA support from SSNUP. These beneficiary organisations tend to be either financial intermediaries, small and medium-sized enterprises or farmer associations or cooperatives.

² One of the TA projects in India is targeting 5,000,000 smallholder households.

Key project figures 2020-2022



41
projects

from



9
investors



25
countries

65
beneficiary
organisations



23
financial
intermediaries



12
farmer organisations
& cooperatives



30
SMEs engaged
in AVC



19
in Africa



3
in Latin America



3
in Asia

involved in
agricultural
value chains¹



61
crop
production



15
livestock/poultry
production



3
fishery/
aquaculture



5,495,678
smallholders targeted

¹ Please note that beneficiary organisations can be involved in several agricultural value chains.

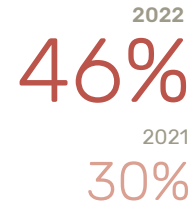
Beneficiary organisations

This section describes who the beneficiary organisations are and the role they play in agricultural value chains. A beneficiary organisation is an agricultural value chain actor that is either an investee or a potential investee of one or more of the SSNUP impact investors who has received TA support from SSNUP.

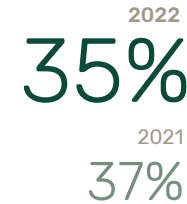
1 } Type of beneficiary organisations

All approved projects support a total of 65 beneficiary organisations, all of which are agricultural value chain actors. Nearly half (46%) of them are SMEs, 35% are financial intermediaries, while 19% are farmer associations or cooperatives.

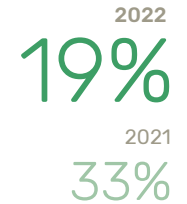
SME engaged in AVCs



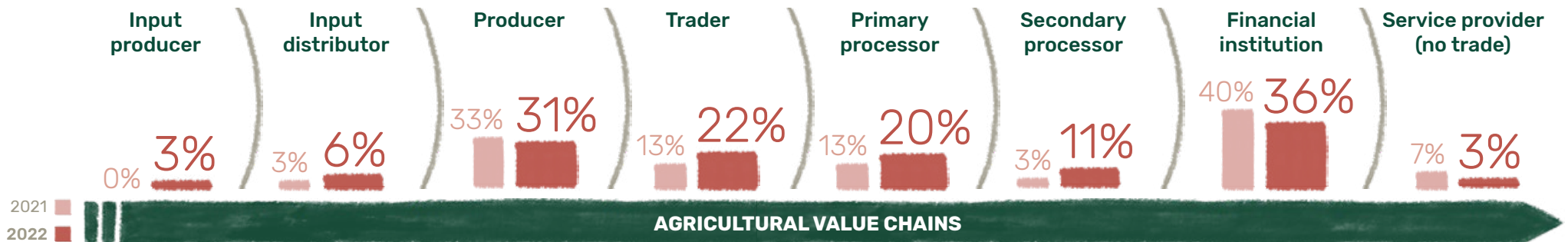
Financial intermediary



Farmer organisations & cooperatives

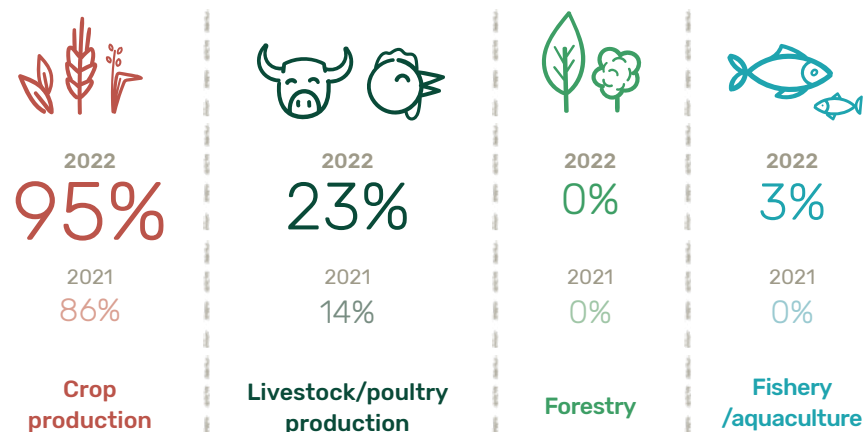


2 } Role of beneficiary organisations in agricultural value chains



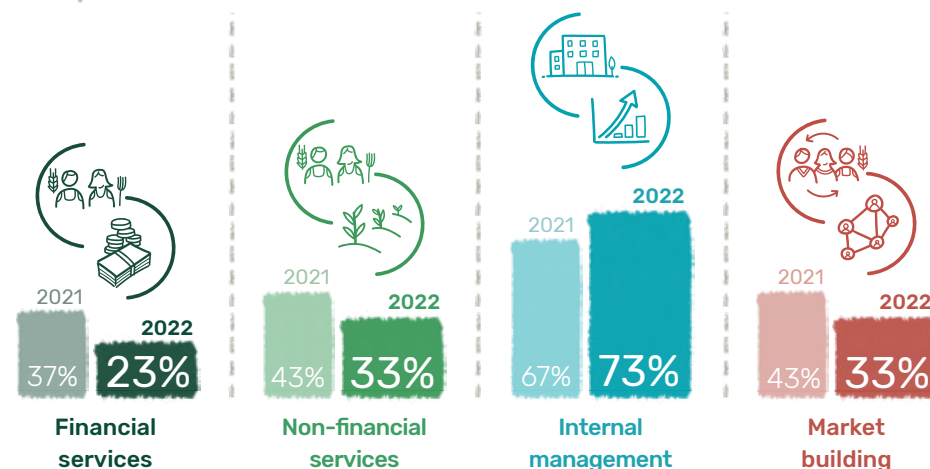
The beneficiary organisations are involved at various sections of agricultural value chains, from production and processing to trading and financing, with a significant focus on producing and financing organisations. It must be noted that some beneficiary organisations intervene at several sections of the value chain. In 2022, there was a slight increase in supported traders and primary processors, however the trend remains.

3 } Type of agricultural value chains



The most common value chains in which beneficiary organisations are involved are those related to the production of coffee, rice, maize, cocoa, cashew nuts and soy, combining both staple and cash crops. While crops remain the most common type of production supported, other types of value chains are also supported with increases in livestock/poultry production and a slight increase in fishery/aquaculture. This increasing diversity is a positive trend for the programme as it will lead to additional lessons learnt.

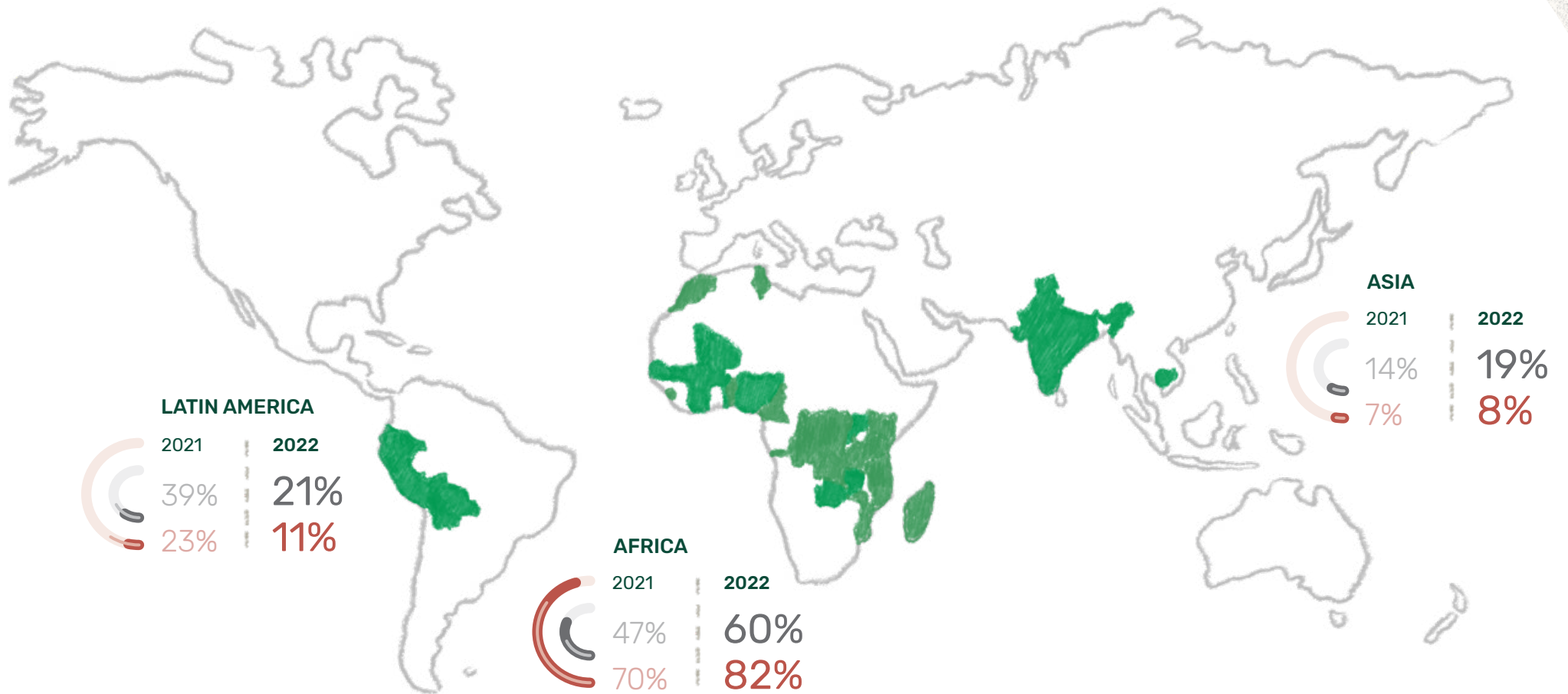
4 } Type of technical assistance







There are four categories of TA, each focusing on a specific aspect of the beneficiary organisation's operations. The first two categories (financial and non-financial services) focus on developing/improving services for smallholder households, the third (internal management) aims to strengthen the internal capacity and functioning of an organisation and the fourth (market building) relates to strengthening the links between different actors in a value chain.

Most of the beneficiary organisations continue to benefit from multiple categories of intervention, meaning they are supported on several aspects at the same time. The most prevalent category of intervention is **internal management**, which increased slightly from 67% to 73% and still remains a very important need to be addressed. This type of intervention is most commonly coupled with **financial** and **non-financial services** for smallholder households as these often go hand in hand.

5 } Location of beneficiary organisations and budget allocation



2021 2022


 % of budget

 % of beneficiary organisations

In 2022, the programme continued to focus its efforts on Africa - **82% of the beneficiary organisations supported are African**. However, it should be noted that **this only represents 60% of the programme's TA budget**, which can be explained by the large number of farmer organisations and associations supported in Africa which tend to be smaller with lower absorption capacities compared to financial intermediaries and SMEs.

List of approved projects in 2022 1/2

This table offers an overview of the **26 approved projects in 2022** by listing certain key elements of the projects including the location, the number of smallholder households targeted and the agricultural value chain.

Name of TA project	Investor	Type of beneficiary organisation(s)	Country	Number of smallholders targeted ¹	Agricultural Value Chain
Africa					
Gender- and climate-smart capacity building for macadamia suppliers	AgDevCo	1 SME engaged in AVC	Kenya	3,000	Macadamia
Improving environmental and social management systems (ESMS) in Africa	AgDevCo	11 SMEs engaged in AVC	4 Kenya, 2 Mozambique, 1 Rwanda, 2 Tanzania, 2 Uganda	N/A	Pork, cotton, sesame, coffee, macadamia, grain storage, aquaculture, poultry, seed potato, maize, poultry
Supporting the commercialisation of dates	Alterfin	1 SME engaged in AVC	Tunisia	121	Dates
Strengthening the credit risk framework of an MFI	Alterfin	1 financial intermediary	Sierra Leone	N/A	Multiple AVC
Increasing market access of chili peppers produced	Alterfin	1 SME engaged in AVC	Kenya	500	Chili peppers
Accessing new markets through certification for coffee producers	Alterfin	1 SME engaged in AVC	Rwanda	630	Coffee
Introducing virgin coconut oil to the local market	Alterfin	1 SME engaged in AVC	Kenya	5,000	Coconut
Strengthening a cooperative to access funding and improve outreach	Bamboo Capital Partners	1 farmer organisation & cooperative	Côte d'Ivoire	N/A	Multiple AVC
Strengthening a digital platform to facilitate the trading of fresh fruits and vegetables	Bamboo Capital Partners	1 SME engaged in AVC	Senegal	9,000	Multiple AVC
Digital distribution channels of financial services for smallholder farmers (phase 1)	Grameen Credit Agricole Foundation	1 financial intermediary	Democratic Republic of the Congo	880	Multiple AVC
Improvement of financial and non-financial services for smallholder farmers	Grameen Credit Agricole Foundation	1 financial intermediary	Benin	4,700	Multiple AVC
Improving financial services for the agricultural producers	Grameen Credit Agricole Foundation	1 financial intermediary	Cameroon	1,500	Multiple AVC
Financial inclusion and services for agricultural value chain customers	Incofin	1 financial intermediary	Kenya	18,205	Multiple AVC
Improving the resilience of cocoa and cashew nut producers	Incofin	1 SME engaged in AVC	Côte d'Ivoire	1,932	Cocoa, cashew nuts
Deepening financial inclusion in rural areas with an AVC intervention strategy ('Agrihubs')	Oikocredit	1 financial intermediary	Kenya	400	Multiple AVC



Continues on the following page

¹ Please note that projects that do not target smallholders directly (N/A: Non-Applicable) are projects with only an internal management component.

List of approved projects in 2022 2/2

Name of TA project	Investor	Type of beneficiary organisation(s)	Country	Number of smallholders targeted ¹	Agricultural Value Chain
Africa					
Improving the financial management system of a cashew nut processor	responsAbility	1 SME engaged in AVC	Benin	N/A	Cashew nuts
Improving the financial management systems of a cashew nut processor	responsAbility	1 SME engaged in AVC	Burkina Faso	N/A	Cashew nuts
Improving producers' resilience to climate change and strengthening governance on environmental risks	SIDI	1 financial intermediary	Maroc	4,000	Multiple AVC
Modernisation of the date processing	SIDI	1 SME engaged in AVC	Tunisia	130	Dates
Digitalisation of financial products and services (phase 1)	SIDI	1 financial intermediary	Mozambique	6,800	Multiple AVC
Improving the management information system of a financial institution	SIDI	1 financial intermediary	Madagascar	N/A	Multiple AVC
Support the renewed growth in outreach in the rural areas	SIDI	1 financial intermediary	Sierra Leone	N/A	Multiple AVC
Organic cashew nuts quality improvement and production expansion	SIDI	1 SME engaged in AVC	Tanzania	770	Cashew nuts
Asia					
Improving an application to cater for all agricultural actors evaluation of the grains/crops sold by the farmers	Incofin	1 financial intermediary	Cambodia	45,000	Multiple AVC
Improving access to financial services through an application for farmers	responsAbility	1 SME engaged in AVC	India	50,000	Multiple AVC
Latin America					
Enhancing resilience in Latin America with parametric agricultural insurance solutions	Incofin	1 financial intermediary	Bolivia	4,000	Multiple AVC

 [See all approved projects since the launch of the programme](#)

¹ Please note that projects that do not target smallholders directly (N/A: Non-Applicable) are projects with only an internal management component.



Project example

Completed



Increasing market access through a traceability system for chilli peppers produced in Kenya

The project's objective is to support **Phyma Fresh Produce Limited**, a company that exports fresh fruit and vegetables grown from its network of over **1,800 smallholder farmers**, in implementing a traceability system in the chilli value chain to 1) improve the management of its farmer groups and 2) help smallholder farmers meet the stringent control measures needed to export to the attractive European market.

The expected outcomes of the project are:

- 1 **500 farmers gained access to new markets** by being included in the traceability system;
- 2 **improved control** of the sourcing, packaging, and shipping process, resulting in the ability of real-time reporting;
- 3 **improved access and increased number of buyers** through the certifications of product;
- 4 **de-risk operations and attract new investments.**



Read the project results document



See other projects



Non-financial services



Market building

Impact investor



Beneficiary organisation

Phyma Fresh Produce Limited
Kenya

Number of farmers reached

797

Agricultural value chain

Chilli

Start date

May 2022

Duration

4 months

Total expenditure

€ 9,263

Including € 6,383 (69%) financed by SSNUP

Project example **Completed**



Price Risk Management for the coffee value chain in Rwanda

Coffee is the second most frequently exported commodity by Rwanda after black tea with 400,000 smallholder households dependent on its production. However, coffee is subject to significant price fluctuations, resulting in big differences in profit and loss for value chain actors from one season to another. The project aims to provide Rwandan coffee aggregators (agri-SMEs and cooperatives) with Price Risk Management (PRM) training to strengthen their risk management capacities and resilience against price volatility, ultimately benefiting more than 10,000 farmers.

The expected outcomes of the project are:

- 1 **improved capacity of aggregators** to manage coffee price risk and avoid losses;
- 2 **improved capacity of financial sector stakeholders** to appraise the creditworthiness of SMEs;
- 3 **de-risk potential investees.**

[Read the project results document](#)

[See other projects](#)



Market bidding



Internal management



Impact investor

Beneficiary organisation

2 SMEs and 9 cooperatives working with over 10,000 farmers

Rwanda

Agricultural value chain

Coffee

Start date

January 2022

Duration

8 months

Total expenditure

€ 113,650

Including € 78,814 (69%) financed by SSNUP

3. PROGRAMME OUTCOMES



*This chapter presents
the outcomes of the programme
since the launch (2020-2022).*





Key outcome figures

91,159
smallholder
households reached



of which 34% of the households were reached through female producers¹

85,539
benefited from
financial
services



of which 34% through female producers¹

73,564
benefited from
non-financial
services



of which 27% through female producers¹

2,793
benefited from
market-building
solutions



of which 41% through female producers¹



Over € 71 million of additional investments have been received by the beneficiary organisations supported by SSNUP²

Contribution to SDGs:



No poverty



Zero hunger



Gender equality



Decent work and economic growth



Climate action



Partnerships for the goals

¹Please note that this means women were the direct recipients of the services delivered (some of whom were deliberately targeted), however in most cases, all smallholder household members benefit from these services.

²This total amount of additional investments was disbursed after the TA projects started. However, it cannot be directly attributed to the TA received.

Financial services

85,539

smallholder households benefited from financial services



15,620 indirectly benefited from loans granted to their cooperatives



69,919 benefited from risk-transfer solutions mostly index-based insurance



to facilitate the cooperative's production activities thanks to working capital loans



to secure access to market thanks to loans for contract farming



for increased resilience to climate hazards



Example: Index-based insurance in Senegal

Key results



+ 66,000 producers of maize, millet, peanuts and/or rice covered by index insurance, distributed through cooperatives, MFIs, NGOs and input suppliers



€ 416,286 disbursed in 2021 and 2022 to 20,819 smallholders as compensation of climate hazards

Key lessons learnt

- ✓ Aggregators are key players to scale insurance distribution. However, the main success factors remain awareness-raising and training for producers, and ensuring proper replication of such activities by aggregators remains a challenge.

[Read the project description](#)

Non-financial services

73,564

smallholder households benefited from **non-financial services**



70,099 trained in **financial literacy**



for better understanding & use of financial services



2,352 trained in **best production practices, through a digital application, demo farms and regular training sessions**



for better productivity & quality production

[Read the project results document](#)



for more climate resilience and improved environmental protection, with training on climate-smart practices and integrated pest management, and with access to weather information



1,113 were **certified FairTrade or Rainforest Alliance**



for better productivity, quality production and access to market



Example: Improving the conditions of farmers in the cashew value chain in Burkina Faso



416 cashew producers, of which **212 smallholders, were trained** on Fairtrade certification and their **2 cooperatives were certified**. All producers consider that the certification benefits outweigh the necessary investments to get it.

[Read the survey results](#)



Economic benefits from higher quantity sold at a higher price, thanks to better production practices and guaranteed minimum price



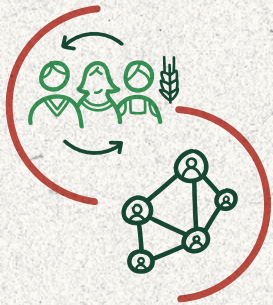
Social benefits such as:

- ✓ more social cohesion between producers
- ✓ improved production and daily life thanks to community development projects implemented with certification premium
- ✓ better school enrolment rates for their children due to certification requirements

Market building solutions

2,793

smallholder households benefited from market-building solutions



2,707 benefited from

→ a **digital platform** facilitating market linkages between agricultural value chain actors

→ improved **Management Information Systems** of processors



for **improved access to inputs**, warehouse services and buyers for farmers using the platform



for **facilitated access to markets** for producers supplying these processors



[Read the project results document](#)



86 received

advance payments



to enable farmers to **cover production, education and health costs on time**



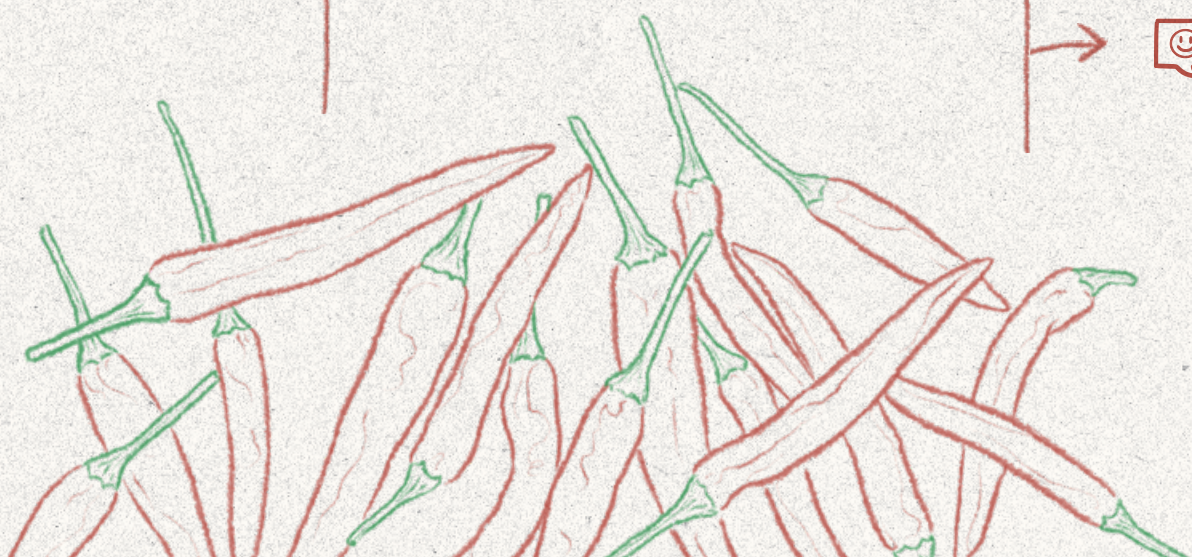
for **improved living conditions** of producers and their family members



for **greater loyalty from producers** to their cooperative and buyer



[Read the survey results](#)

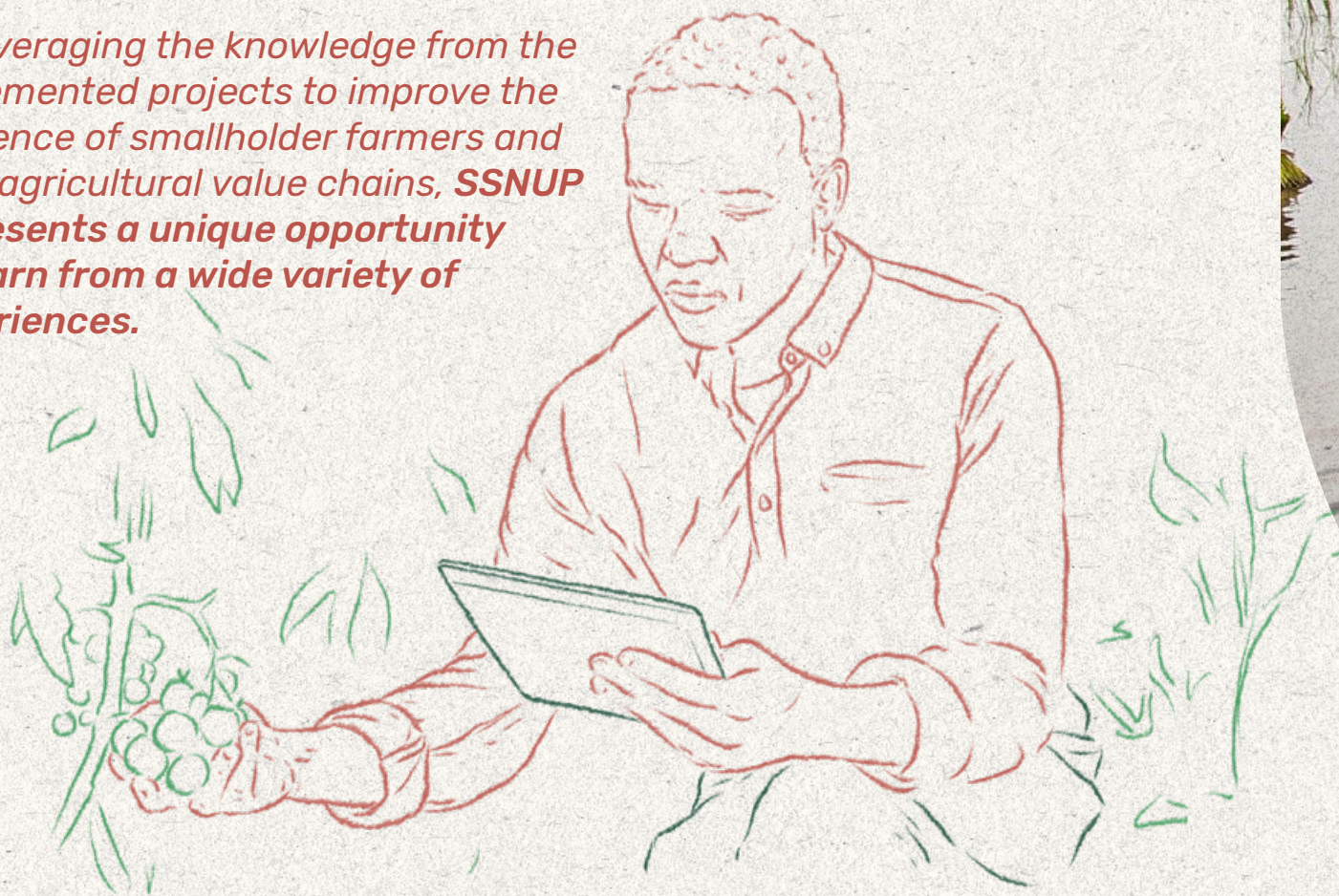


4. KNOWLEDGE MANAGEMENT AND COMMUNICATION



Knowledge management is a key component of the programme and will become even more important as it progresses.

*By leveraging the knowledge from the implemented projects to improve the resilience of smallholder farmers and their agricultural value chains, **SSNUP** represents a unique opportunity to learn from a wide variety of experiences.*





Knowledge sharing workshops

The objective of these workshops is to provide SSNUP stakeholders (TA managers, investment officers, funders and coordinators) with a **platform to exchange on specific topics related to TA projects** and discuss issues, challenges, potential solutions and lessons learnt.



JUN
2022

Digital solutions for smallholder farmers

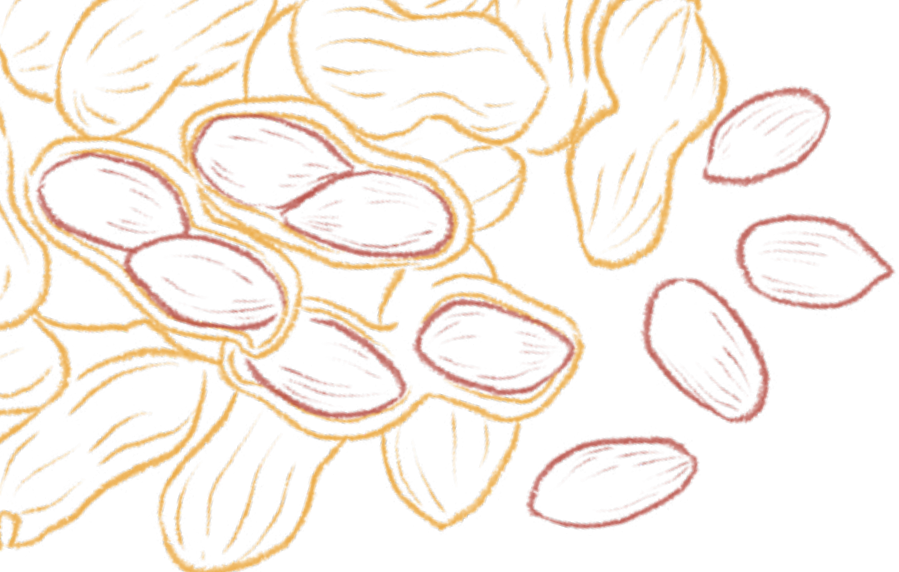
Digital solutions such as mobile money, e-commerce, weather alerts and index-based insurance have transformed the way smallholder households run their businesses. **This workshop gave SSNUP stakeholders an overview of digital solutions and raised awareness of the risks, constraints and opportunities they can entail.**

The main takeaways include:

- 🗨️ **digital solutions differ in terms of services provided**, but also in terms of business models and target customers;
- 🗨️ **digital service providers face multiple challenges**, including a highly competitive and dynamic digital market, structural challenges in agricultural value chains or regulatory uncertainty;
- 🗨️ **client-centric and holistic business models** with diverse revenue streams are more likely to thrive.



[Read the full workshop results document](#)







NOV
2022

Agricultural insurance for smallholder farmers

Since the launch of the programme, SSNUP has co-funded several projects to develop agricultural insurance for smallholder farmers. **This workshop enabled SSNUP stakeholders to discuss products, challenges and best practices for developing insurance solutions for smallholder farmers.**

The discussion highlighted that:

-  **new technologies speed up the insurance rollout;**
-  **customer-centric business models increase profitability;**
-  **bundling services make insurance tangible;**
-  **awareness raising, financial education and transparency are key.**



workshop results

AGRICULTURAL INSURANCE FOR SMALLHOLDER FARMERS

ONLINE
29 NOVEMBER 2022

main issue

Climate change poses a major threat to agricultural production and the livelihood of 600 million smallholder farmers worldwide. However, more than 80% of them are not covered by agricultural insurance to mitigate financial losses in the event of crop failures and livestock losses.¹

SSNUP has co-funded several projects to develop agricultural insurance for smallholder farmers. At the micro level, these projects encourage microfinance institutions (MFIs) to insure their agricultural portfolios and restructure or waive affected farmers' loans. At the macro level, the projects give smallholders access to index-based crop insurance and indemnities based on drone images.

This workshop enabled SSNUP stakeholders to discuss products, challenges, and best practices for developing insurance solutions for smallholder farmers.

key takeaways

1 | New technologies speed up the insurance rollout



Over the past few decades, there has been an increasing trend towards index-based insurance for both crops and livestock. Payments are triggered by indirect indicators such as rainfall, humidity, yield or vegetation levels, thereby serving as loss and damage proxies. The increasing availability of satellite images, weather information, radio, mobile phone networks, etc., brings down the costs. New tools such as radio frequency identification devices have replaced ear tags for livestock. The resulting pay-outs are rapid and objective, making these new types of insurance increasingly popular with farmers.

For instance, an Okocredit project enabled almost 62,000 Senegalese farmers to subscribe to index-based insurance products with Inclusive Guarantee within two years. The products were easily scalable also thanks to digital policy management platforms allowing the insurers to onboard new clients and process claims swiftly.

Infrastructure and available, accessible, affordable, and accurate ("4 A's") data will be key to maintaining this momentum and reducing the basic risk of undetected and uncompensated losses.

¹ISP (2018). Protecting Growing Prosperity. Agricultural insurance in the developing world.

SPEAKERS

- 
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Milla Georgieva
Equity Officer
[Okocredit](#)
- 
Mulla Masaka
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 **Read the full workshop results document**

Promoting the programme



CSAF 10-year Anniversary

As a field building partner of the CSAF network, the SSNUP team took part in CSAF 10-year anniversary event in Zeist, The Netherlands, in June 2022. The event was an opportunity to engage in a dialogue with impact investors in agriculture, donors and other stakeholders around how to contribute to more inclusive and climate-positive agri-SME financing.

SSNUP was introduced to CSAF member impact investors and field building partners as a mechanism to strengthen agricultural value chain actors through technical assistance, thereby highlighting its potential leverage effect on investments. Given the participants' interest in technical assistance, the SSNUP team confirmed its intention to launch a study to help build common language around TA for agricultural value chain actors, define the scope of such TA when delivered through impact investors, and identify its potential positive effects on the various actors supported. The results of the study will be available by the end of 2023.



European Microfinance Week 2022

During this conference which took place in November in Luxembourg, the SSNUP coordinator ADA moderated a panel which included Jean-Marc Debricon from Alterfin, Magdalena Arbelaez from Incofin, Violette Cubier from Grameen Crédit Agricole Foundation and Daphne van Dam from Cordaid. The panel discussed solutions and challenges in combining TA with investments to strengthen agricultural value chains.



Training in agricultural and rural finance (FAR) 2022

The training in agricultural and rural finance (in French: formation en Finance Agricole et Rurale) is available for managers of financial institutions and other stakeholders in the field of inclusive finance in Africa (authorities, fintechs, insurance companies, investment funds...) **who develop financial products and services for the agricultural sector.** It is organised every year, in French and English, by ADA and the Food and Agricultural Organisation of the United Nations (FAO), and is supported by the Ministry of Foreign and European Affairs of Luxembourg (MFEA).

Every year, a number of representatives from SSNUP impact investors and beneficiary organisations participate in the training. *Further information on the FAR programme.*



In 2022, a SSNUP webinar with Alterfin and SIDI was organised for the 100 francophone participants (selected from 750 applicants).



***"Investments in agriculture:
what are investors looking for?"***



5. FINANCIAL REPORT



2022 budget and expenses

This section of the report shows the programme's income and expenses monitored by ADA, the coordinator of the programme. The SSNUP accounts are audited by Mazars.

Budget components	Budget		Expenses
Technical assistance projects	€ 3,489,000 ¹		€ 1,614,335 ²
TA facilities management fees	€ 383,790		€ 21,938
Knowledge management & dissemination	€ 193,225		€ 154,025
Evaluation and financial audit	€ 31,500		€ 30,784
Programme coordination	€ 295,715		€ 220,822
LuxDev support to lead donor	€ 130,000		-
Budget	€ 4,523,230	45%	€ 2,041,904
Co-funding from beneficiary organisations	€ 852,000		€ 1,162,237 ³
Co-funding from other donors	-		€ 375,615 ³
Total budget	€ 5,375,650	67%	€ 3,579,756

¹ This amount includes the budget for perception surveys (€81k)

² Please note this amount differs from the amount previously stated on page 16 (approved projects) due to changes in the fund transfer process for approved projects.

³ Committed amount from approved projects in 2022.



