
SECOND WORKING MEETING OF SAFIN PARTNERS: INTRODUCTION TO AGENDA + GROUP SESSIONS

FAO, 28 NOVEMBER 2017

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RATIONALE IN A NUTSHELL

Finance for investment for rural and agro-food SMEs

Inclusive and sustainable rural transformation

AGENDA 2030 – aiming among other to:

- Double productivity and incomes of small-scale producers
- Increase the access of small-scale enterprises to financial services
- Strengthen capacity of financial institutions to expand access to financial services

ADDIS ABABA ACTION AGENDA – calling among other for:

- More investment in rural sector, agriculture, food systems, smallholders
- Adoption/review of financial inclusion strategies, and financial inclusion as a policy objective
- Work on both supply and demand side of finance for micro, SMEs.



PROGRESS NOT FAST ENOUGH, 5 KEY “SYSTEMIC” NEEDS



Raise profile of this agenda as priority for policy + development finance

Increase and better combine different sources of finance in this sector

More uptake of inclusive institutional and business approaches

Improve both quality and pace of innovation

Improve knowledge base for strategic learning and accountability

THE SAFIN CO-CREATION PARTNERS AS OF LAST JUNE

Smallfoundation

BILL & MELINDA
GATES foundation



BNP PARIBAS NOPI



SAFIN VISION: MORE EFFECTIVE AND INCLUSIVE ECOSYSTEM FOR AGRI-FOOD AND RURAL SME FINANCE AND INVESTMENT

- Inclusive and evidence-based policy and institutional environments
- Higher volumes and more diverse sources of finance for SME investment
- System-wide alignment around SME-inclusive narratives and practices
- Greater investment in innovation and scaling up good practices/products
- Improved knowledge base informing practice, policy and monitoring

PARTNERS' INTEREST IN WORKING IN 5 AREAS



**Engaging on the
enabling policy
environment**



**Joining forces to
mobilize new
resources**



**Aligning
investments via
inclusive models**



**Pooling efforts
around
innovation/
scaling up**

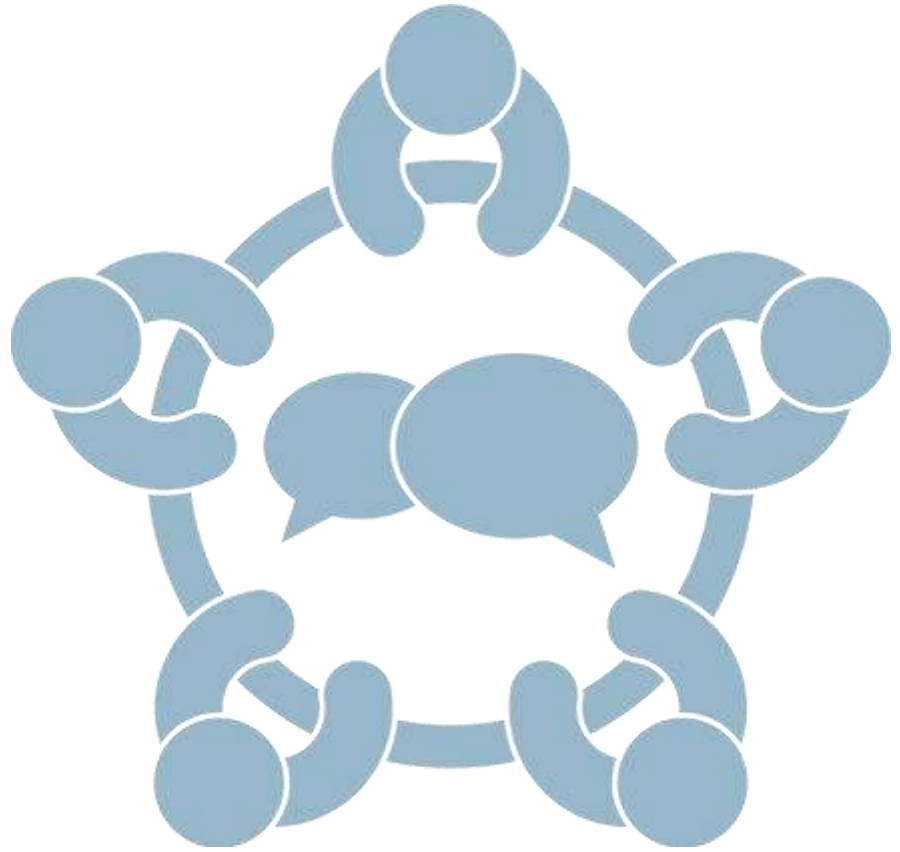


**Helping address
strategic
knowledge
agenda**

Accountability

TODAY'S MEETING

- Comes after elaboration of proposals and various group discussions
- Builds also on partners' survey, scoping activities, work done by partners
- Aims to:
 - *Continue building the network/strengthen sense of being a group*
 - *Bring us close to a work plan for 2018 (and to 2020, in less detail)*



Morning Group Discussion



INNOVATION WORK STREAM: 2 ACTIVITY LINES

I. Pooling expertise and knowledge around new initiatives, instruments, and products to be launched by partners, upon demand



- Team to work with partners to identify initiatives, assess demand
- Partners to define roadmaps + activities (2-3 initiatives in 2018?)

INNOVATION WORK STREAM: 2 ACTIVITY LINES

2. Learning about innovative models of delivery of finance and of TA (focus on scale, inclusiveness, sustainability, financial graduation)



- Map key areas of partners' engagement + key challenges + innovations
- Catalogue relevant knowledge products and initiatives
- 2/3 webinars, 1 partners' workshop, 2-3 side meetings at FO events

MOBILIZING FINANCE WORKSTREAM: 2 ACTIVITY LINES

I. Building knowledge on diversifying/increasing finance, for agriculture and SMEs, focus on “blending”

- Reach shared definition of blended finance
- Reference book for BF transactions (operational + legal templates)
- Tracking debate on BF framing issues (rationale, risks, “ecosystem”)
- Scoping “brokering” function: what, who, how?

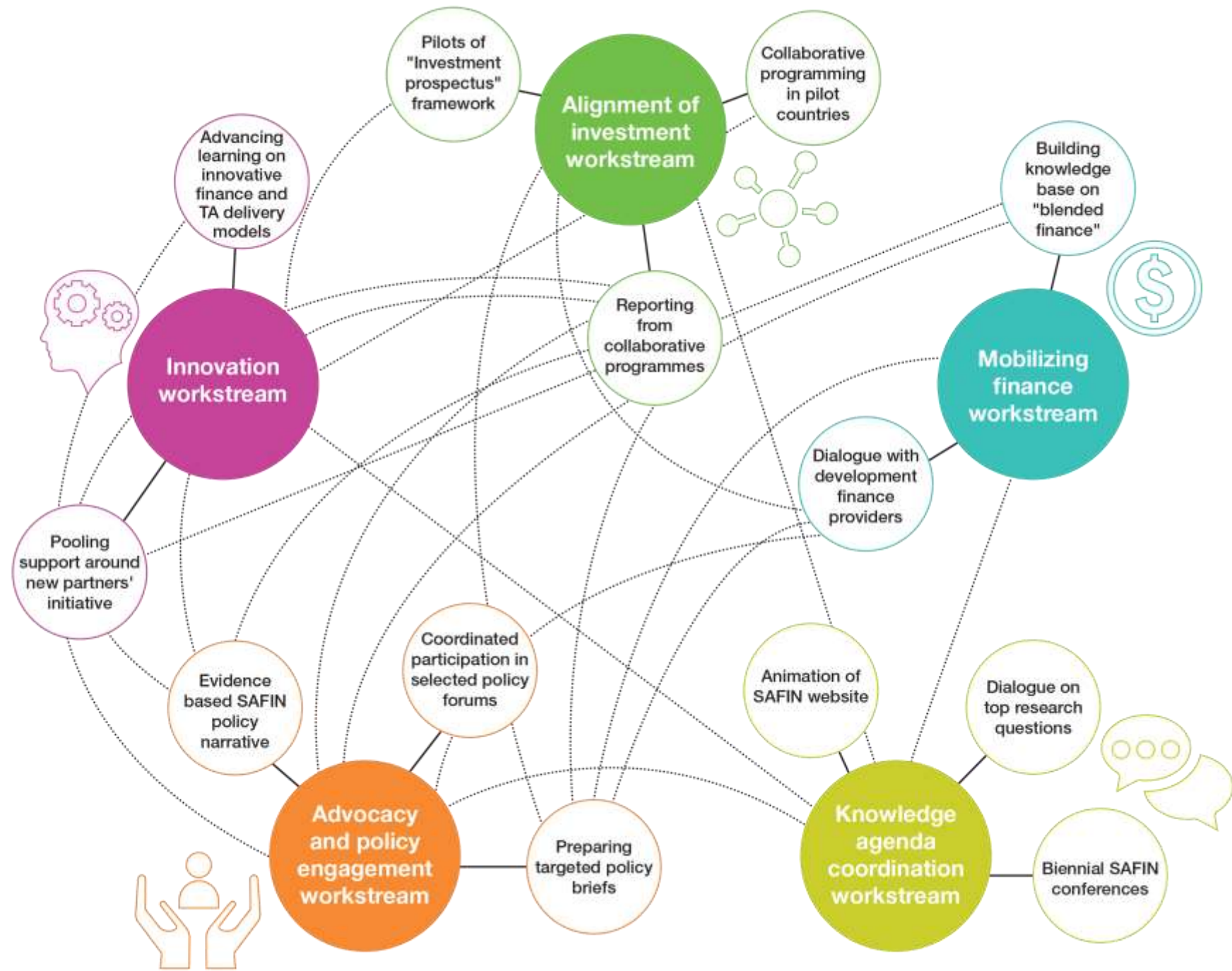


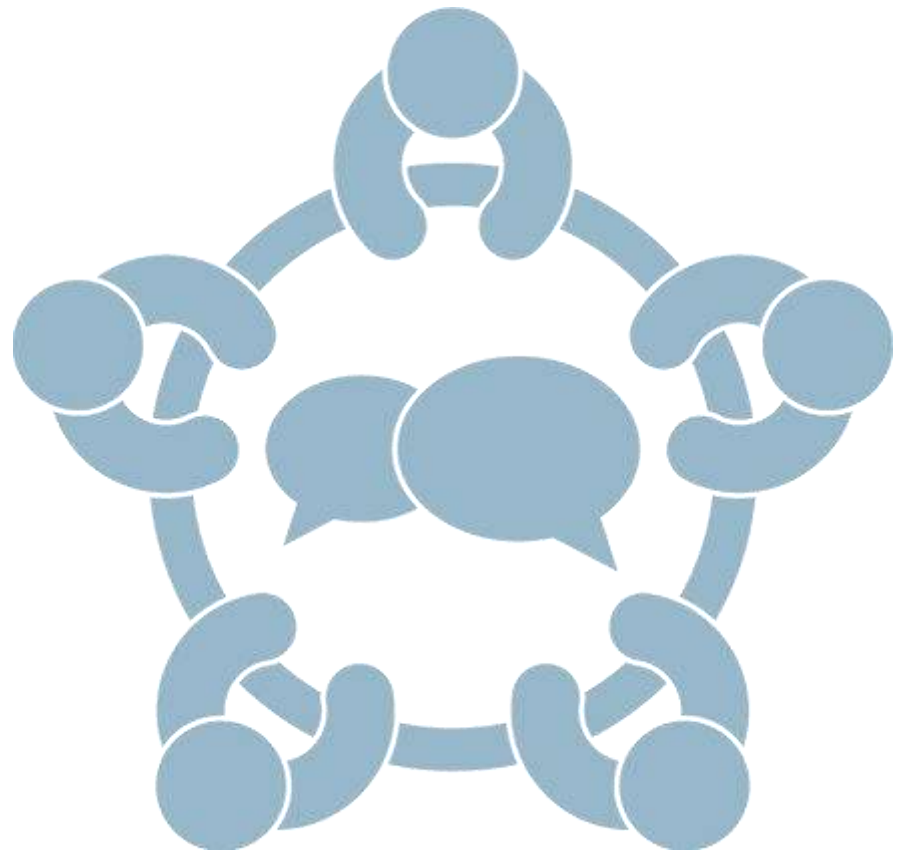
MOBILIZING FINANCE WORKSTREAM: 2 ACTIVITY LINES

2. Dialogue with development finance providers in selected forums

- Deep dive on OECD DAC policy principles for BF in ag
- Chapter in annual report on IATF on FfD including BF
- Side event at FfD Forum in April 2018, possible focus on BF in ag?
- *(PLUS dialogue with GDPRD, DFI wg on blended concessional finance, others)*







*Afternoon
Group
Discussion*

ALIGNMENT OF INVESTMENT WORKSTREAM: 3 ACTIVITY LINES

1. Piloting framework for country level diagnostic of investment and financing gaps and opportunities for SMEs (# countries in 2018)
2. Collaborative programming based on SAFIN diagnostic tool
 - Finalization of “investment prospectus” framework
 - Piloting in # countries, demand-led, different partner configurations
 - Map of partners’ programmatic activities in pilot countries



ALIGNMENT OF INVESTMENT WORKSTREAM: 3 ACTIVITY LINES

3. Reporting on commitments, achievement, learning and impact from collaborative programming under SAFIN



- Stocktaking of collaborative projects, pooling of expected results
- Tracking new collaborative initiatives launched around IP tool
- Working towards SAFIN achievement/impact report in 2019?

ADVOCACY/POLICY ENG.WORKSTREAM: 3 ACTIVITY LINES

I. Evidence-based policy narrative on imperative of access to finance for investment by smallholders, rural/agri-food SMEs



- Umbrella advocacy/policy-oriented narrative, key messages
- Scoping for “State of the World of finance for SH and SMEs”
- Contribute to chapter of IATF on FfD + side event at FfD Forum 2018

ADVOCACY/POLICY ENG.WORKSTREAM: 3 ACTIVITY LINES

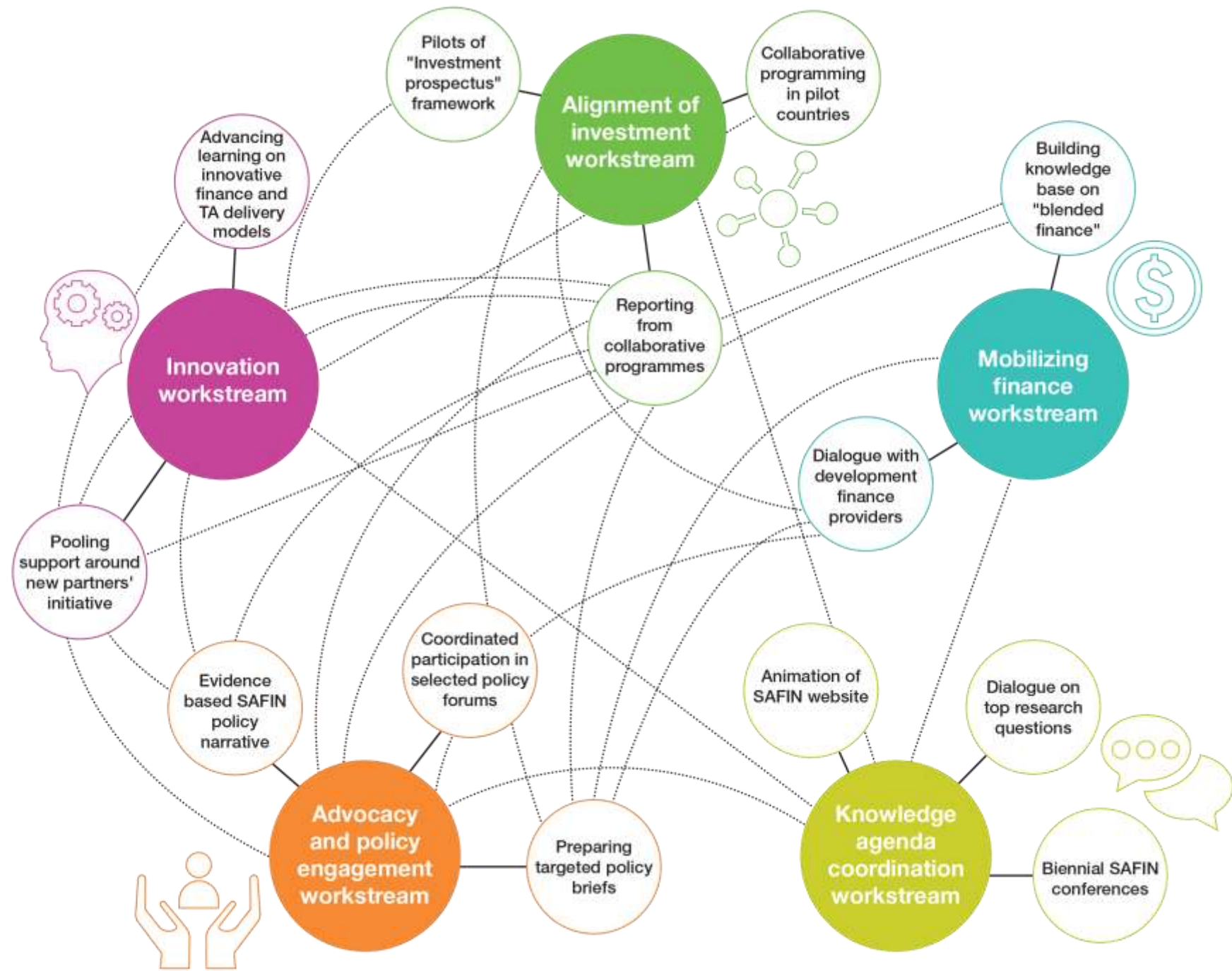
2. Coordinated participation in selected global and regional forums

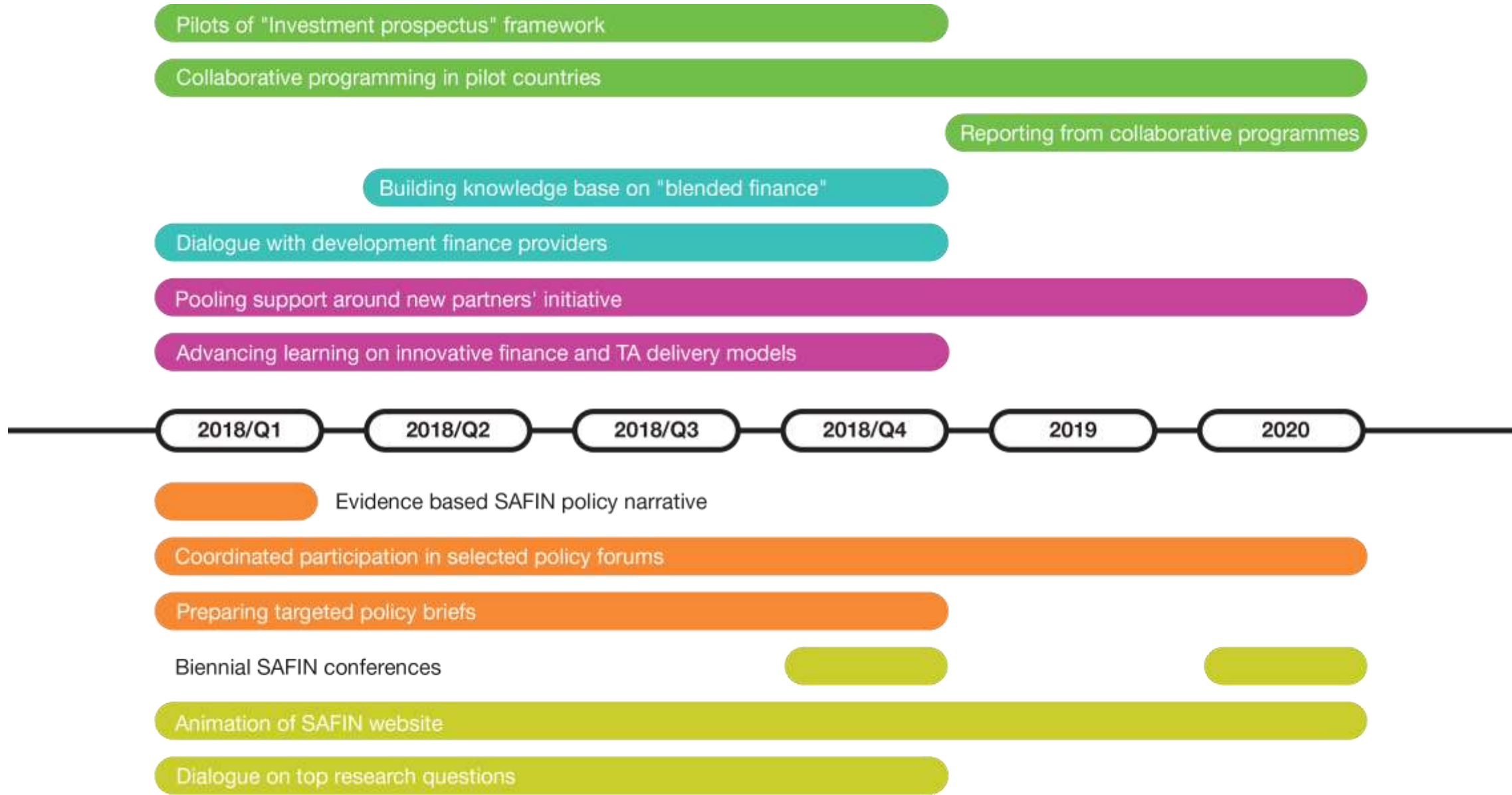
- Key events calendar, info sharing about partners' engagements



3. Coordinated preparation and dissemination of 2-3 policy briefs p.y.

- State of global ecosystem
- Challenges, risks, ecosystem view on BF





■ Alignment of investments
 ■ Mobilizing finance
 ■ Innovation
 ■ Advocacy and policy engagement
 ■ Knowledge agenda coordination