



A DECADE OF IMPACT



AMEA LEARNING EVENT

Joel Kakaire-AFAP COUNTRY DIRECTOR AFAP | 2024

www.afap-partnership.org

African Fertilizer and
Agribusiness Partnership



Partnerships. Productivity. Prosperity.

A Brief Introduction to AFAP

Who We Are



ABOUT AFAP:

The African Fertilizer Agribusiness Partnership (AFAP) is an independent non-profit organization that works with both public and private sector partners to strengthen and build fertilizer markets in Africa. AFAP is primarily focused on the design and implementation of sustainable developmental projects that support policy and regulatory reform, capacity development, financial credit provision and data gathering and market intelligence development and dissemination. AFAP provides market-driven business solutions in agricultural inputs and agribusiness value chain sectors.



OUR VISION:

To be an effective catalyst of agricultural productivity among smallholder farmers in Africa.



OUR MISSION:

To become Africa's preferred technical partner for increased investment, productivity and development in the agribusiness value chain and input-output market.



OPERATING AS A SOCIAL ENTERPRISE:

The African Fertilizer and Agribusiness Partnership (AFAP) is an **independent non-profit organization** founded in 2012 by a partnership of African development organizations.



PUBLIC -PRIVATE SECTOR BRIDGE BUILDER:

AFAP is a **service provider** to the private and public sectors on sustainable development projects and policies focused on **market-driven business solutions** in fertilizer and agribusiness for agriculture productivity.



CAPACITY DEVELOPMENT RESULTS FRAMEWORK:

AFAP's public-private partnership strategy is ultimately designed to **build the capacity of African fertilizer and agribusiness SMEs**, and **increase agricultural productivity**.



TEAM WORK MAKES THE DREAM WORK:

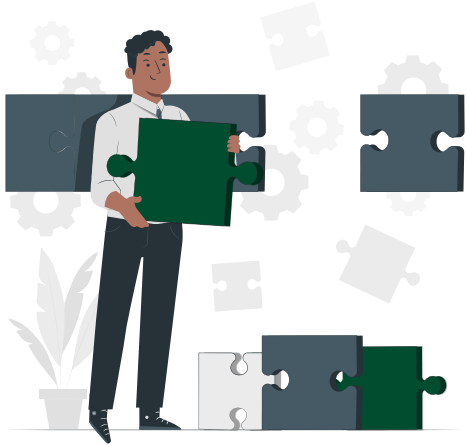
The execution of this AFAP strategy with **partners**, results in increasing food security, income, job creation, and agriculture contribution to national GDPs.



YIELD ENHANCEMENT AND AGRIBUSINESS DEVELOPMENT FOCUS:

AFAP adds value to the fertilizer and agribusiness value chain by **building the capacity of** and linking African Hub-agrodealers and Smallholder Farmers to global fertilizer and food companies. AFAP also promotes balanced crop nutrition products, technology, as well as financing and equipment providers in Africa.

Our Focus Areas



AFAP BUSINESS MODEL:

Our skillsets continue to be diverse and multi-disciplinary and include fertilizer industry, agribusiness marketing, finance, IT and investment experts. AFAP's interventions are organized into four technical-units. These are market development services, financial services, data collection and digitization and fertilizer policy services.

1



AGRIBUSINESS AND MARKET DEVELOPMENT SERVICES:

- Business Management Training
- Distribution channels and development

2



FINANCIAL SERVICES:

- Financial systems development and installation
- Financial analysis/advice structuring/structuring
- Financial management and training

3



AGRI-INPUTS AND AGRIBUSINESS POLICY SERVICES:

- Policy review and analysis
- Policy Design and Implementation
- Policy papers

4



MARKET INTELLIGENCE SERVICES:

- SME Market/trade data automation
- Smallholder/farmer organizations surveys
- Market and economic analysis for industry

Our Africa Footprint

Our Africa Footprint



Established presence in **9** countries

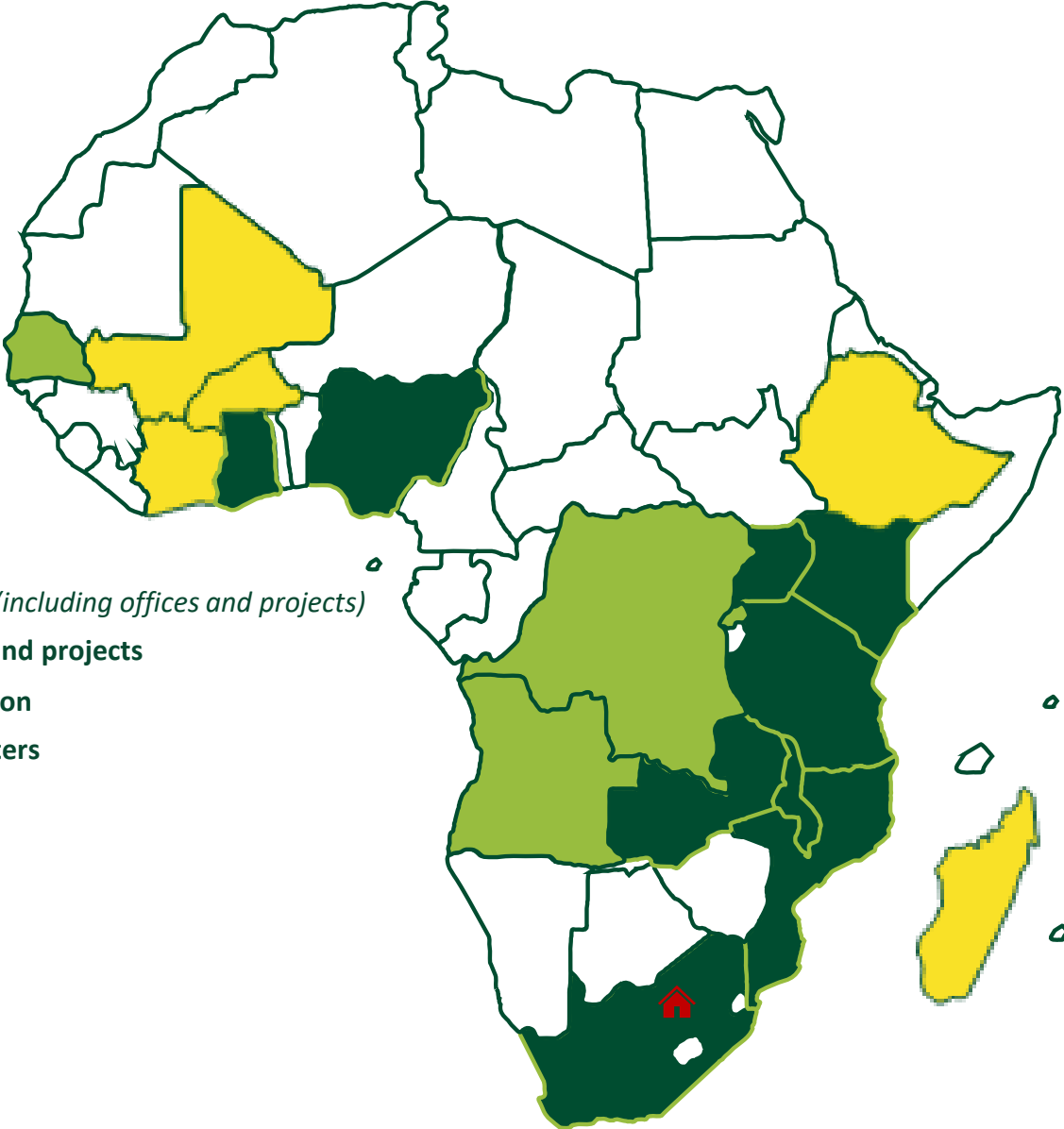


Provided technical support to over **420** hub-agrodealers



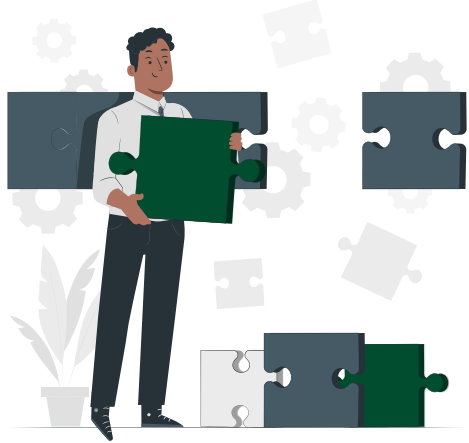
Positively impacted the lives of

7.5 million smallholder farmers



Our Methodology

Our Operating Strategy



WE AIM TO IMPROVE AGRICULTURAL PRODUCTIVITY:

The African Fertilizer and Agribusiness Partnership (AFAP) is an **independent non-profit** organization that aims to **improve agricultural productivity** across SSA by **building fertilizer and agribusiness markets**



SUPPLIERS

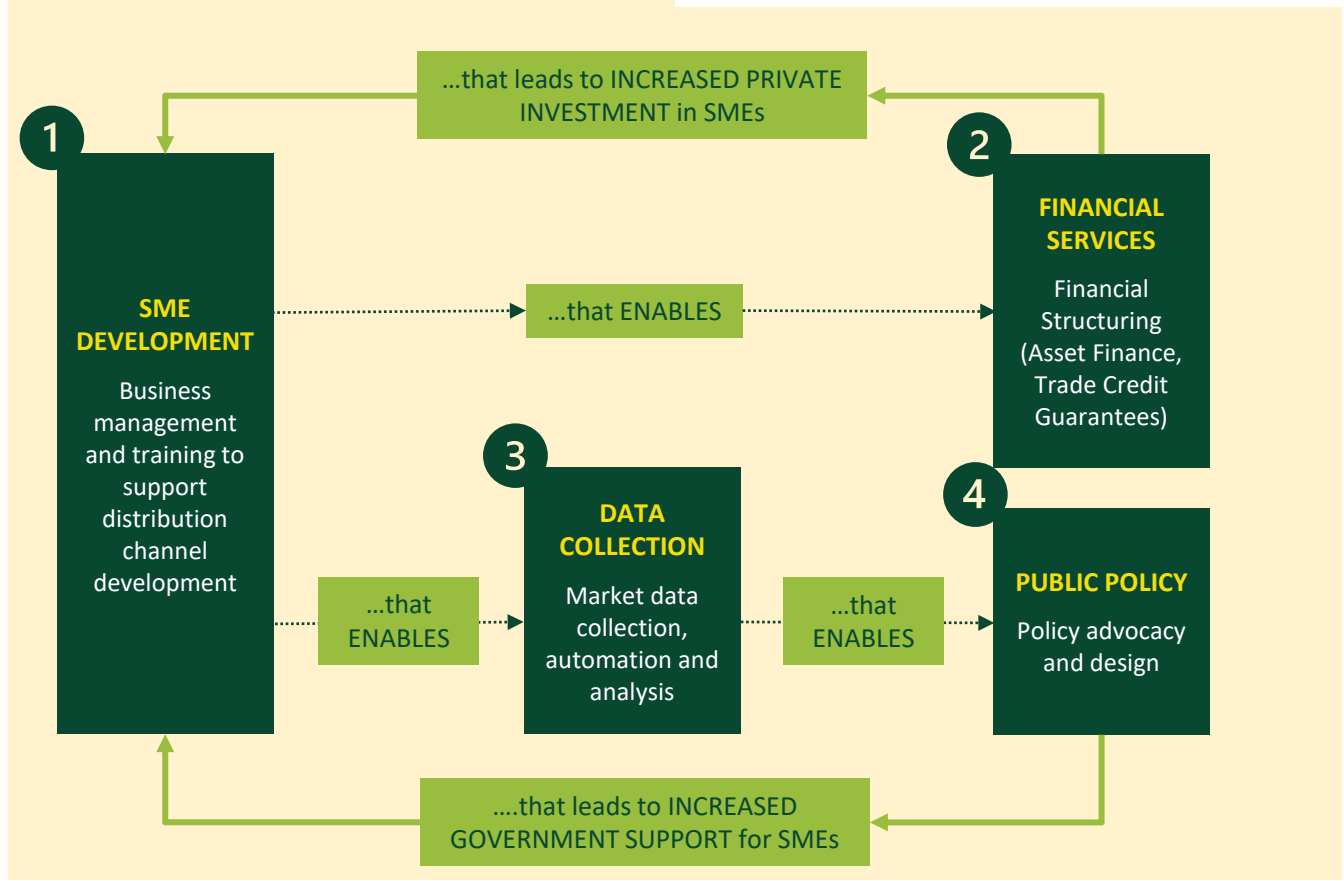


HUB-AGRODEALER

RETAILERS



SMALLHOLDER FARMERS



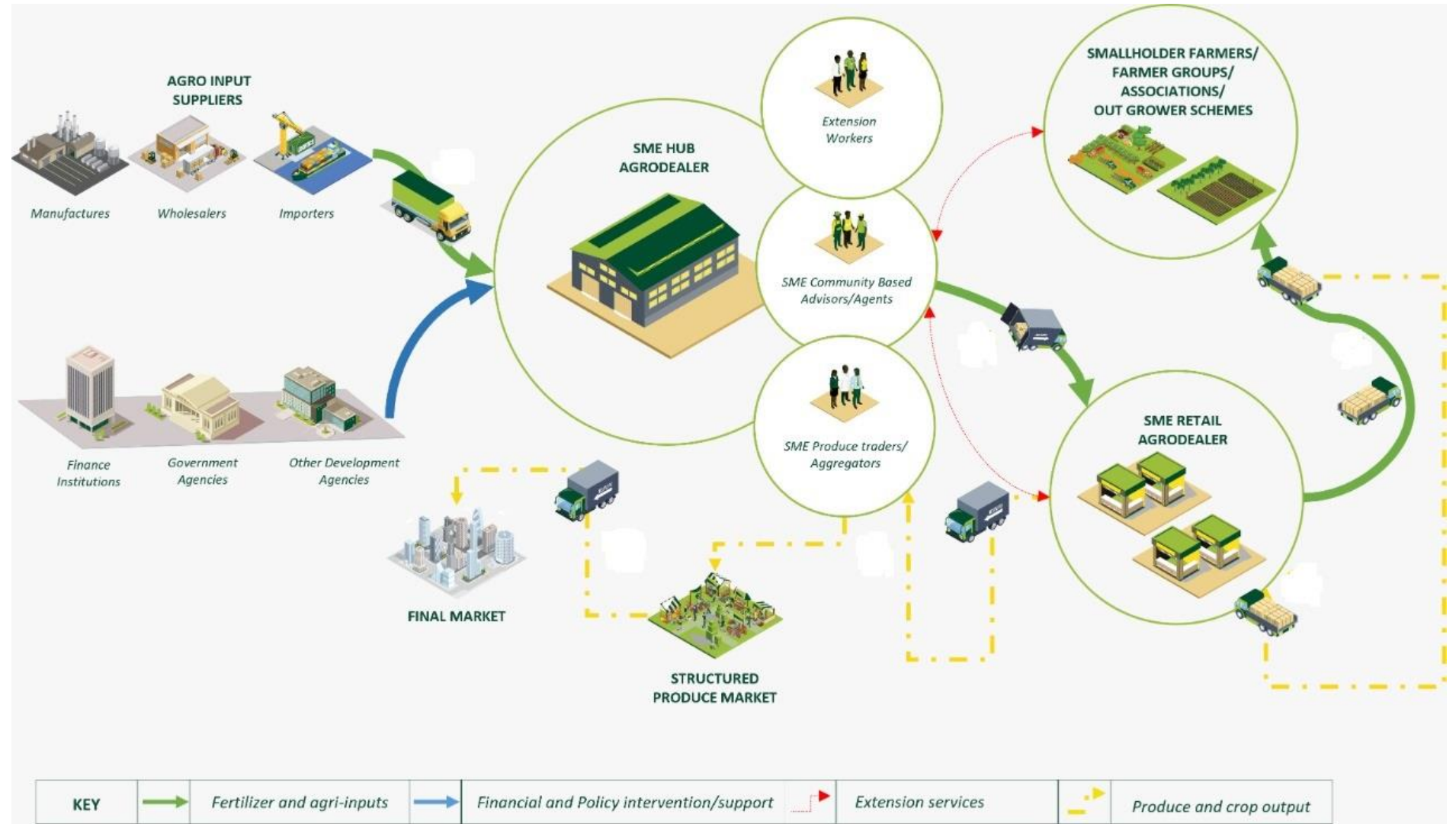
Our Methodology

AFAP STRATEGIC UNITS:

1. Agribusiness and Market Development Services (*Industry analysis and technical advice, agribusiness capacity building, distribution channels and development*)
2. Financial Services
3. Agri-inputs and Agribusiness Policy Services
4. Market Intelligence Services

REASONS FOR AFAP SUPPORT:

1. Making fertilizer and other agri-inputs accessible and affordable for smallholder farmers
2. Fostering capability and incentive for fertilizer and other agri-inputs use to increase productivity and profit
3. Bolstering fertilizer and other agri-inputs use to increase crop yield and increase food security
4. Encouraging sustainability and competitive fertilizer and other agri-inputs market



Overview of Inputs subsector

- Inputs sub sector continues to grow; Agrodealers and suppliers growing
- Growth and Evolution is characterised in terms of;
 - Type of inputs reaching farmers
 - How the inputs reach the farmers
 - Role of Government and Private sector in inputs business
- Such informs how to time and sequence interventions by actors
- Use of inputs by African farmers is generally low
 - Example is fertilizer consumption;
 - Uganda-2kg/ha
 - Kenya-60 kg/ha
 - Burundi-19kg/ha
 - Congo-2kg/ha
 - Tanzania-9.3kg/ha
 - Rwanda-23.9kg/ha

Overview of inputs sector cont..

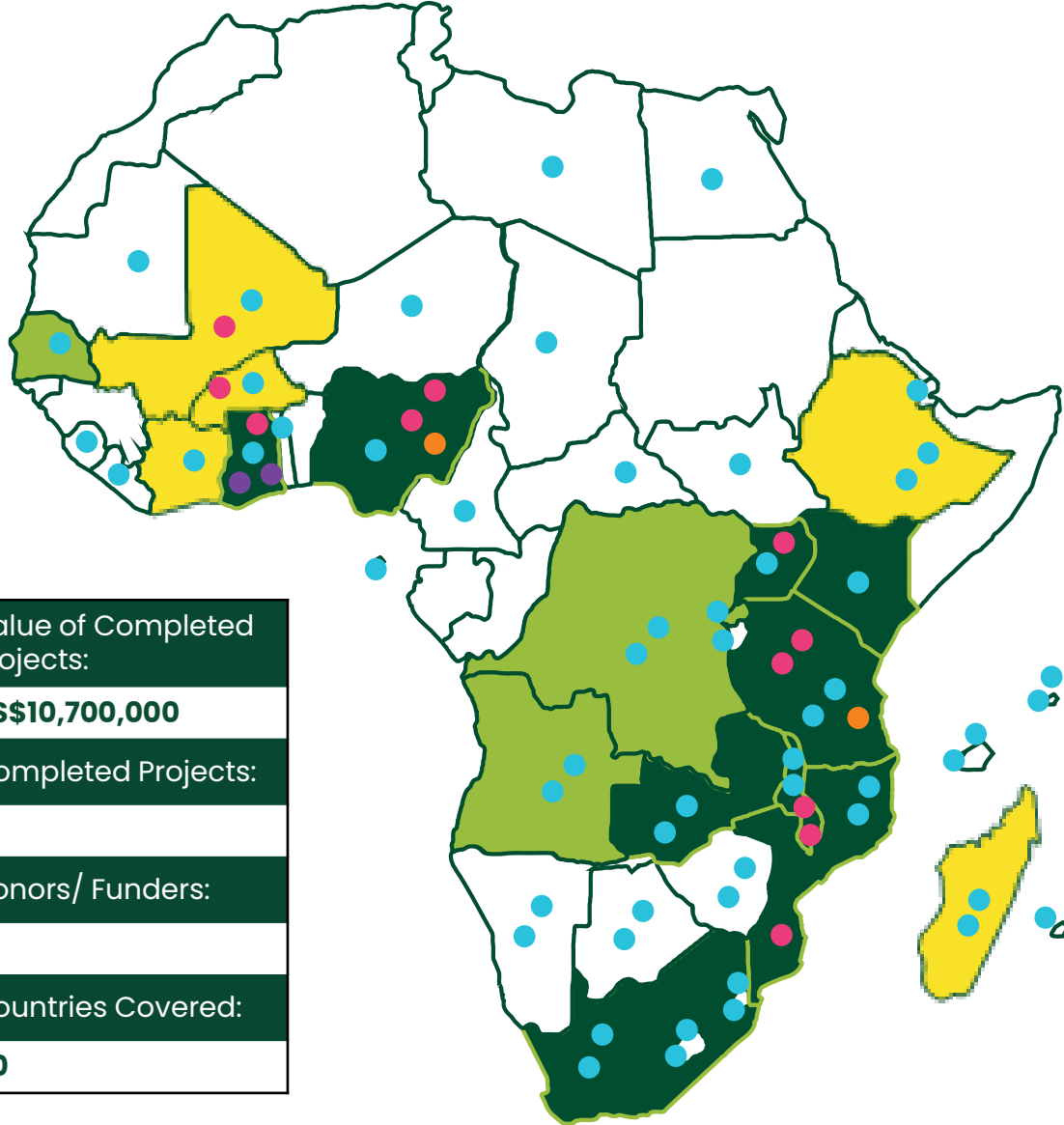
- Certain Crops like Maize have almost achieved input intensification
- Generally, SHF are paying cash for inputs while agro-dealers and suppliers are enjoying some level of credit services
- Inputs Market generally driven by Inputs credit and to some extent subsidies
 - Subsidies; these can catalyse demand but also distort the market especially if the role of government and suppliers is not well managed and controlled
- Returns on input use is driven by; Yields, input costs and output prices. Input use is higher under stable market conditions
 - An example of coffee prices which have stabilized and farmers are investing
- Input use underscores the importance of extension

AFAP ADDRESSING SYSTEM FAILURES

- Development hub agrodealer model for products traceability
- Training of agrodealers in safe use and product knowledge
- Complementing extension services through Field officers and Community Based Agents
- Smart Subsidy program implementation through market systems
- Trade Credit Guarantee programs to address capital constraints
- Public-private dialogues
- Leveraging partnerships

Our Impact and Results

Our Completed Projects in 2022



Value of Completed Projects:	US\$10,700,000
Completed Projects:	11
Donors/ Funders:	11
Countries Covered:	40



AGRIBUSINES AND MARKET DEVELOPMENT SERVICES:

1. Strengthening Rice Production and Marketing Systems in Zambezia "Moz Arroz"
2. International Budget Partnership Inc (IBP)
3. Africa Fertilizer Financing Mechanism (AFFM)
4. Benefits of farms better lives in Malawi
5. Partnership For Inclusive Agricultural Transformation In Africa
6. Hub Agrodealer Program



FINANCIAL SERVICES:

1. Africa Fertilizer Financing Mechanism (AFFM)



AGRI-INPUTS AND AGRIBUSINESS POLICY SERVICES:























1. Fertilizer Association of Kenya
2. Support towards the development of a SADC harmonized fertilizer regulatory framework
3. Africa Fertilizer Summit (AFS II) Progress - 2006 Abuja Fertilizer Declaration on Fertilizer



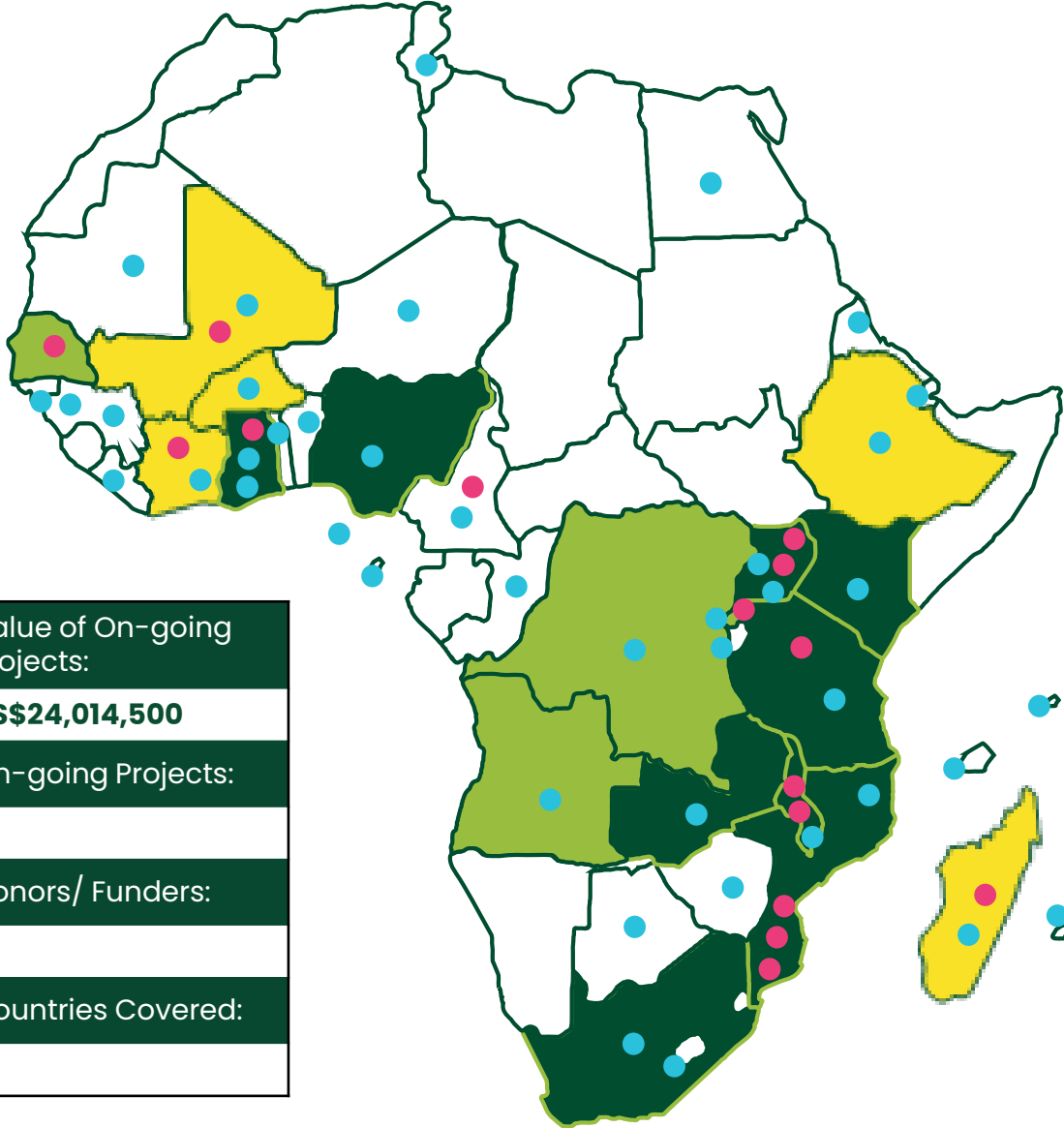
MARKET INTELLIGENCE SERVICES:

1. Crop Land Mapping
2. Pilot of Farmers Cropland Mapping

See AFAP Completed Projects' Flyer for detail report

	LOGO	DONOR	FUNDING	PROJECT	DESCRIPTION
		Alliance for a Green Revolution in Africa (AGRA)	US\$400,000	Strengthening Rice Production and Marketing Systems in Zambezia “Moz Arroz”	Development of inputs supply chain for rice production in the Zambezia province of Mozambique including extension service and technology transfer.
		International Budget Partnership Inc (IBP)	US\$38,735	International Budget Partnership Inc (IBP)	Development of smallholder farmer profiles in 9 SPARK project implementing districts in Ghana, and providing strategic advisory services for maintenance and use of the data management systems.
		African Development Bank (AfDB)	€740,000	Africa Fertilizer Financing Mechanism (AFFM)	Management of AFFM Credit Guarantees
		Bayer	ZK160,508,072	Better farms Better lives - Malawi	Implementation of the ‘Better farms better lives’ initiative in Malawi by expanding and working with approximately 100,000 smallholder farmers with BAYER inputs in districts where BAYER sells its products.
		Bill and Melinda Gates Foundation (BMGF)	US\$8,900,002	Hub Agrodealer Program	Facilitation of the entry and expansion of sustainable distributors into the smallholder farmers’ fertilizer value chain in order to increase their fertilizer access, significantly improve their productivity, and grow their income.
		USAID-AGRA	US\$330,450	Partnership for Inclusive Agricultural Transformation in Africa	Improvement of 100,000 smallholder households’ access and utilization of quality agro-inputs by deepening last-mile input distribution and agricultural market systems in Northern Ghana.
		Fertilizer Association of Kenya	US\$16,250	Fertilizer Association of Kenya	Review of the draft Fertilizer and Animal Food Stuffs (Fertilizer Regulations 2021) in terms of clarity and access to the impact of proposed measures to ensure efficient delivery and support to the overall aim of the Act.
		Food and Agriculture Organization of the United Nations (FAO)	US\$400,000	Support towards the development of a SADC harmonized fertilizer regulatory framework	Strengthening conducive agricultural policy and investment environment for sustainable food production in SADC.
		International Fertilizer Development Center (IFDC)	US\$76,958	Africa Fertilizer Summit (AFS II) Progress - 2006 Abuja Fertilizer Declaration on Fertilizer	Preparation and presentation of progress report on the implementation of the 2006 Abuja Declaration on Fertilizer.
		Quantitative Engineering Design (QED.ai)	US\$5,000	Pilot of Farmers Cropland Mapping	Enumeration of the makes, models, and GPS locations of all smartphones being used by the CBAs, such that QED can determine which smartphones are acceptable for capturing accurate geolocations.
		6th Grain	US\$20,000	Crop Land Mapping	Data collection using the 6th Grain Field Focus and/or Field Focus Light mobile application to profile and collect data from 20,000 farmers.

Our On-Going Projects into 2023



Value of On-going Projects:	US\$24,014,500
On-going Projects:	11
Donors/ Funders:	10
Countries Covered:	41



AGRIBUSINES AND MARKET DEVELOPMENT SERVICES:

1. Food security through climate Adaptation and Resilience in Mozambique
2. Sustain Africa Initiative
3. Sustain Africa-Export Trading Group
4. Sustain Africa-YARA East Africa Limited
5. Grow Ghana Initiative
6. Sustainable Agriculture Production and Marketing For Rural Transformation
7. Beira Corridor Inputs Partnership Project
8. Supporting Input Supply Value Chain through Blended and Inclusive Financing Models



AGRI-INPUTS AND AGRIBUSINESS POLICY SERVICES:





















1. FtF Market Systems Resilience
2. The Regional Network for Agricultural Policy Research Institutes (ReNAPRI)



OTHER:

1. Planning Grant: African Fertilizer and Agribusiness Partnership (AFAP)

See AFAP On-going Projects' Flyer for detail report

	LOGO	DONOR	FUNDING	PROJECT	DESCRIPTION
		SIDA/IFDC	SEK15,730,672	Food security through climate Adaptation and Resilience in Mozambique	FAR Phase 1: To improve food security and resilience to climate change shocks of 30-45,000 smallholder farmer households (of which 50% female-headed smallholder units). FAR Phase 2: Scaling the adoption of new climate-adapted technologies and practices for sustainable diversification and intensification of cereal legume and vegetable crop production targeted during the first phase.
		Export Trading Group	US\$200,090	Sustain Africa-Export Trading Group	Provide on-the-ground program coordination and management support under the Sustain Africa Initiative.
		YARA East Africa Limited	US\$501,820	Sustain Africa-YARA East Africa	Provide on-the-ground program coordination and management support under the Sustain Africa Initiative.
		Bill and Melinda Gates Foundation (BMGF)	US\$15,000,000	Sustain Africa	Support the implementation of emergency response efforts in support of Food Systems in SSA through price relief mechanisms to mitigate the impact of global and general "cost of living" crisis on fertilizer supply and affordability.
		Norwegian Ministry of Foreign Affairs (MFA)	US\$1,927,000	Beira Corridor Inputs Partnership Project	Increase production and productivity of smallholder farmers in sustainable manner within the Beira Corridor through use of proper fertilizer, improved seeds and chemicals, and best agricultural practices as supported by access to finance and secured markets.
		USAID-AGRA	US\$2,444,200	Grow Ghana Initiative	Support YARA in the implementation of the following activities which are not covered by funding from USAID. Carrying out a baseline survey of farmers, monitoring and supervision of retailer-level activities, media engagement and program publicity.
		Alliance for Green Revolution in Africa (AGRA)	US\$144,711	Sustainable Agriculture Production and Marketing For Rural Transformation	Strengthen capacities of 200,000 smallholder farmers (at least 60% being women and 20% youth) in Malawi's Mzimba, Dowa, Ntchisi, Salima, Lilongwe and Mchinji districts; and provide input and output market linkages to improve the income of the beneficiaries.
		DAI Global, LLC	US\$171,913	FtF Market Systems Resilience	Scale a Hub-agrodealer model with new inputs distributors and building capacity of Uganda National Agro-Input Dealers Association (UNADA).
		Regional Network for Agricultural Policy Research Institutes (ReNAPRI)	US\$28,000	Regional Network for Agricultural Policy Research Institutes (ReNAPRI)	Prepare technical background documents on Key Trends, Challenges and Opportunities for Agriculture in sub-Saharan Africa (SSA). Farmer's risks and economic use of fertilizer in sub-Saharan Africa. Fertilizer policy and regulatory frameworks (54 African Countries).
		Bill and Melinda Gates Foundation (BMGF)	US\$2,000,000	Planning Grant: African Fertilizer and Agribusiness Partnership (AFAP)	Organizational development.

Our Milestones

Trained, Linked, & Developed a **HUB-AND-SPOKE** Network of **420** **WHOLESALE DISTRIBUTORS**

Serving 6,000+ retail agrodealers

Established a customer base of over **7.5 million** smallholder farmers

Through its direct Agribusiness Partnership Contracting (APC) mechanism, AFAP has helped negotiate structured trade credits for over **1.5 million** Metric tons of fertilizer

into smallholder markets with a retail value of over **\$1.25 billion.**

Guiding and assisting Hub Agrodealers in managing **5,500 demonstration plots in 5 countries** that reveal balanced fertilization benefits using advanced technologies and crop and soil-specific blends

80 New blended products introduced into smallholder markets

Developed **Continental Network** that buys commercially from **103** different private input supply companies

12 Policy Reforms **27** Regulatory Changes **7** Countries of Execution
Also established **10** new public-private dialogues for fertilizer in **5** countries

10 new Public-Private policy platforms in **5** countries to sustain dialogue between:

- > significant manufacturers
- > importers
- > local blenders
- > distributors
- > retailers
- > farmer groups
- > public sector policy-making counterparts ministries of agriculture, trade, and finance

Industry experts have worked with **34** separate blending plants

in **8 countries** (Ethiopia, Ghana, Kenya, Malawi, Mozambique, Nigeria Tanzania and Uganda)

A DECADE OF IMPACT: 10 Year Highlights

- Trained, linked, and developed a “Hub and Spoke” network of **420** wholesale distributors
- Serving **6,000+** retail agrodealers with a customer base
- Over **7.5 million** smallholder farmers across 9 countries (Tanzania, Uganda, Mozambique, Malawi, South Africa, Ghana, Burkina Faso, Mali and Nigeria.)
- The continental network that AFAP has helped develop buys commercially from **103** different private input supply companies: fertilizer, seed, agrochemical manufacturers, and many more importers and large-scale traders.
- AFAP has helped negotiate **structured trade credits for over 1.5 million metric tons of fertilizer** into smallholder markets with a retail value of over \$1.25 billion.
- AFAP has helped improve the enabling environment for fertilizer business by supporting **12 policy reforms and 27 regulatory changes in 7 countries** and helped establish **10 new public-private dialogs** for fertilizer in 5 countries.

Some Uganda cases: Subsidy Hub Agrodealer Awards



Pictorials: Farmer Field Days



Farmer Trainings



Farmer Trainings

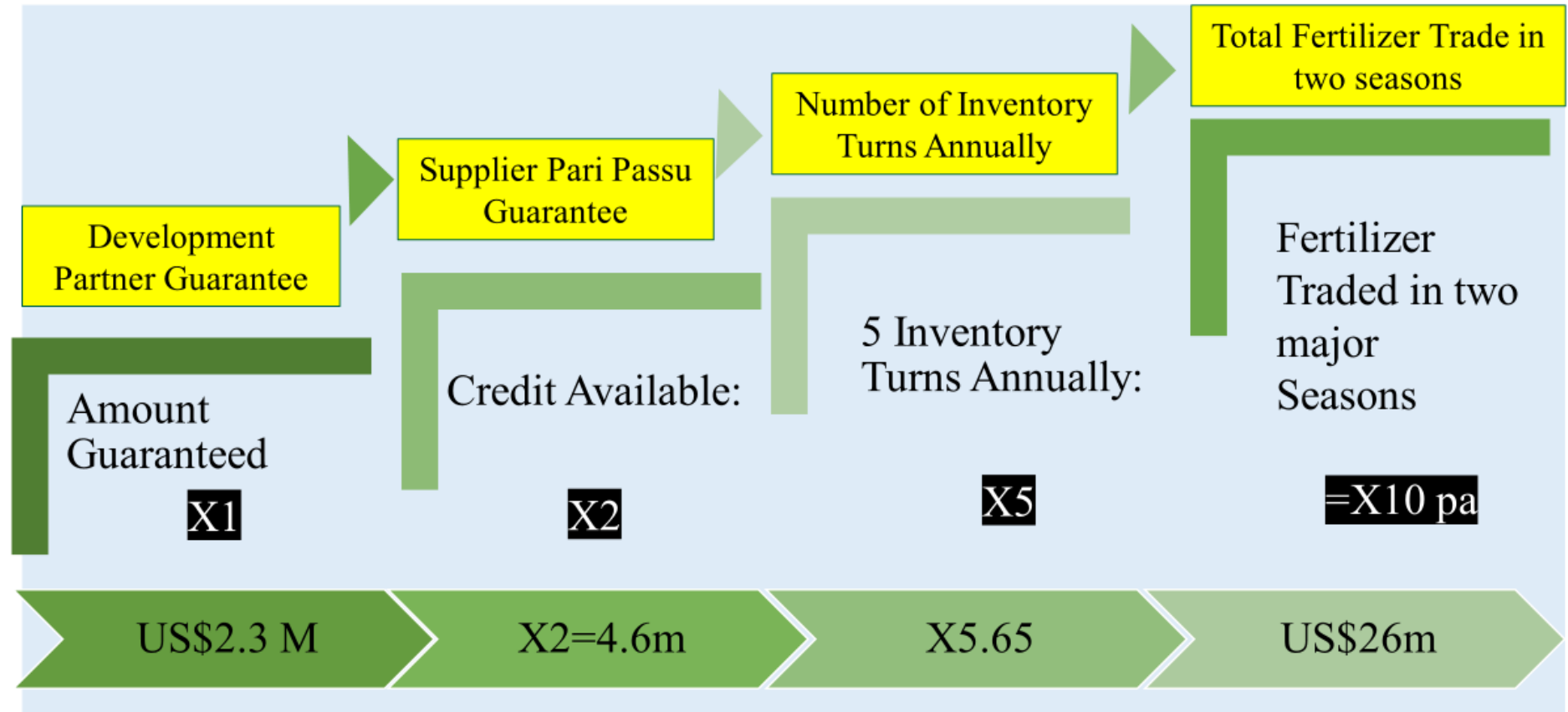


Agrodealer trainings



TRADE CREDIT GUARANTEE PROGRAM

Fact #1: Trade Credit Guarantee can unlock Fertilizer Trade 10 Times its Value: The Tanzania Case



DFC \$10m Guarantee can unlock US\$100,000,000 worth of Fertilizer Trade

The AFAP Model: AFAP Trade Credit Guarantee (TCG) Provisioning

AFAP TRADE CREDIT FACILITATION (TCF)

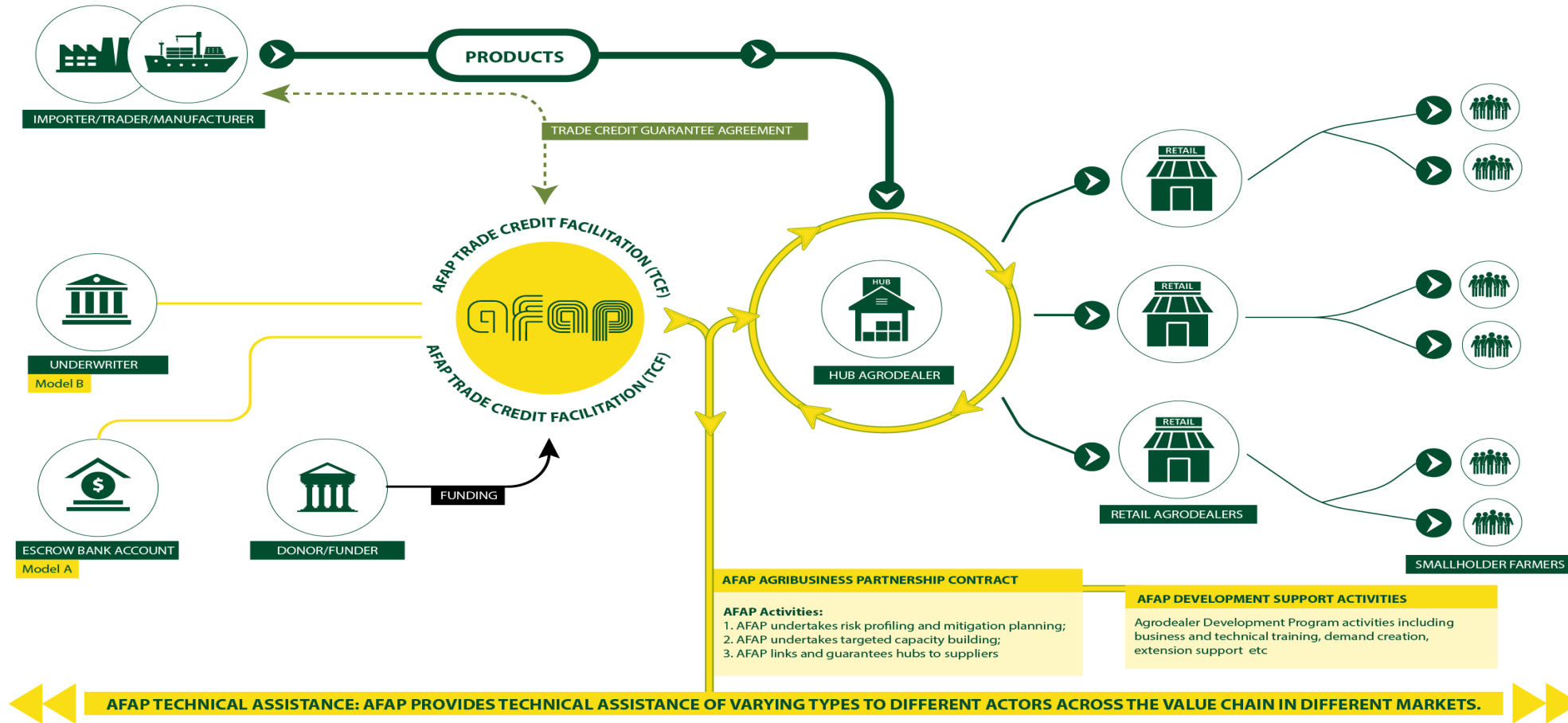


DIAGRAM KEY

Model A and B

Funding

Trade Credit Guarantee Agreement

Product supply

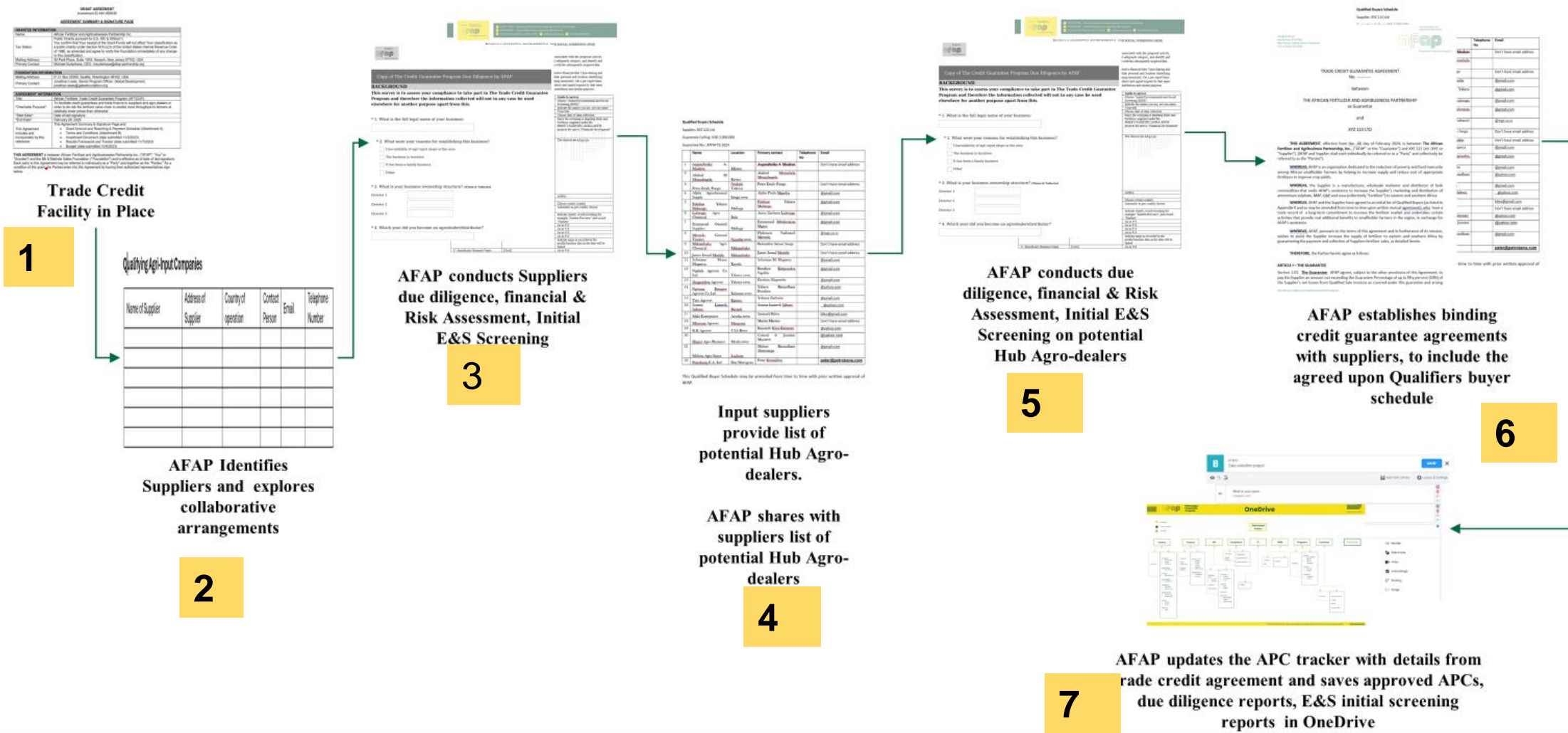
AFAP Support



The AFAP 9-Stage Process

	STAGE	KEY FEATURE
1	Scanning the Value Chain Drivers	Identifies leading players in the fertilizer industry in the country.
2.	Industry Buy In	Explores collaborative arrangements with identified key industry players
3	Binding Engagements	Establishes binding credit guarantee agreements with identified suppliers
4	Linking Downstream Actors	Profiles qualifying downstream buyers – The AgriSMEs
5	Qualifying Buyers Schedules	Jointly with Suppliers develops a listing of participating/qualifying buyers
6	AFAP's Agribusiness Partnership Contracts (APCs)	Agreement between AFAP and AgriSME buyers to engage in the project with access to AFAP support and in return engage in fertilizer market development
7	Hub Dealer Capacity Building	Business and technical capacity building of AgriSMEs as a risk mitigation measure
8	Monitoring	Data capture and digitization for effective project monitoring/management
9	Closing the Loop	Project review, evaluation and feedback

Kicking Off a TCG Program – Engaging Fertilizer Suppliers



Engaging Hub Agrodealers through APCs



AFAP establishes binding APCs with Hub Agro-dealers agreed upon from the Qualifiers buyer schedule

1



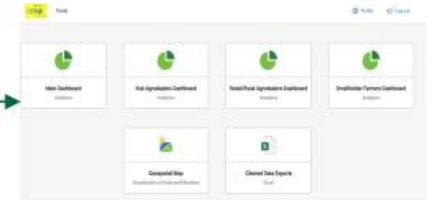
Hub Agro-dealers' signs APCs to it include complete list of Retail/rural Agro-dealers they serve

2



AFAP updates the APC tracker with details from APCs and saves approved APCs, due diligence reports, E&S initial screening reports in OneDrive

3



AFAP conducts Agro-dealer profiling/baseline and reporting

4

Our Funders and Partners



PLEASE CONTACT US:

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