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# Innovations Session N°8

## Catalysing young African agripreneurs' investments



INNOVATIONS  
SERIES





# Incubating and accelerating inclusive agribusiness in Africa

2012 – 2023

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# What 2SCALE accomplished so far (2012-2018)

Through 53 effective PPPs (Public-private partnership) set up in 9 African countries, 2SCALE accomplished:

- 627,422 farmers directly involved in these PPPs of which 225,870 women that control the commodity
- 4,426 agribusinesses strengthened including many small-scale enterprises and POs (Producers organisations)
- 24 pilots to introduce low-cost nutritious food products to Base of Pyramid (BoP) markets
- € 60 million leveraged by private sector
- € 44 million credit for farmers and SMEs facilitated directly through 2SCALE

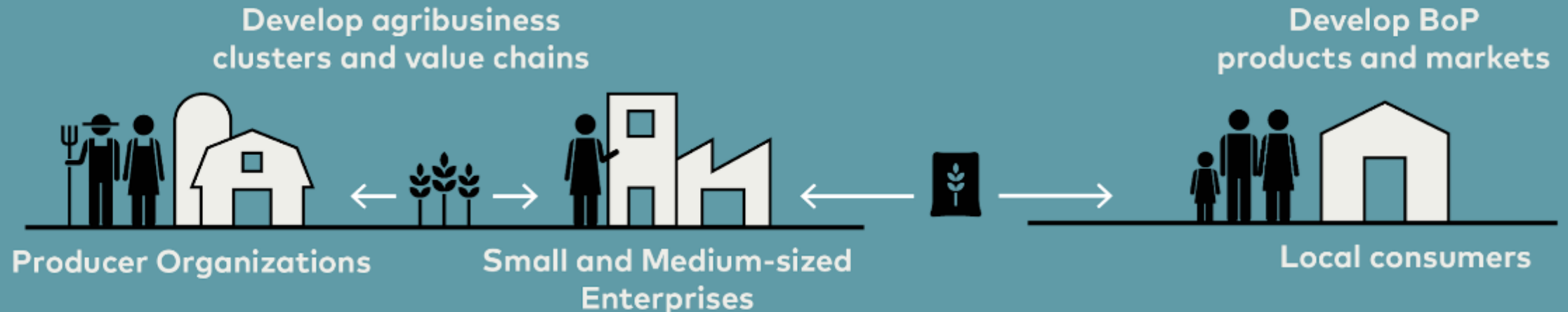


# What is 2SCALE about

2SCALE is an incubator and accelerator program that manages a portfolio of public private partnerships (PPPs) for inclusive businesses in agri-food sectors and industries

For 2019-2023, 2SCALE is funded with €50 million from the Dutch Ministry of Foreign Affairs & aims to leverage another €50 million in private sector contributions.

With this funding, 2SCALE provides technical assistance to partners, no subsidies





# How 2SCALE works?

2SCALE focuses on establishing agribusiness clusters around business champions such as entrepreneurial producer organizations or local SMEs that trade or process farmer produce. Our program supports these champions to develop BoP products and markets



**Business champions (SMEs and POs)**



**Public-Private Partnerships**



**Agribusiness clusters  
Core & supplier value chains  
Local (BoP) markets**

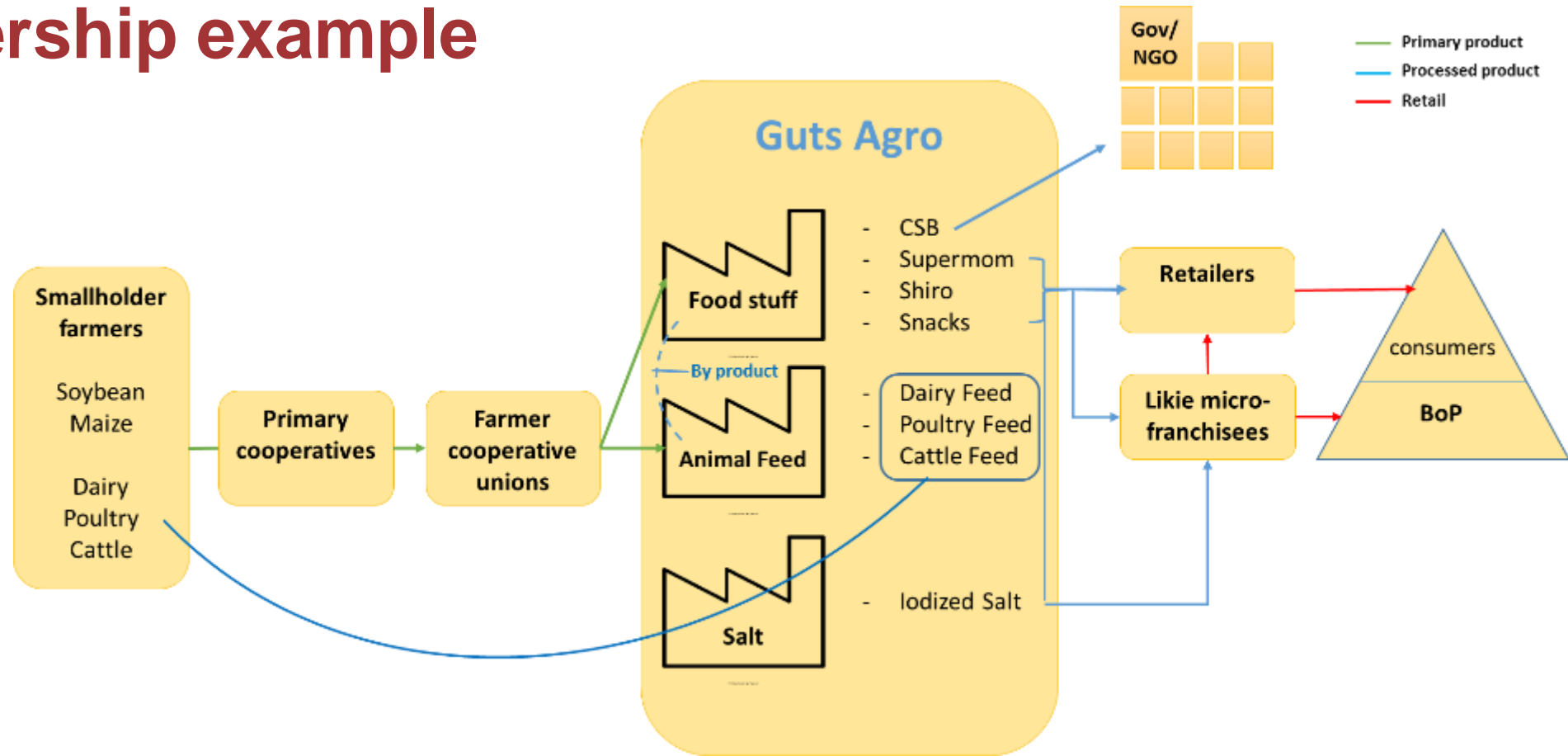
Collaborating with local Business Support Service (BSS) providers

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# Partnership example



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# Insights from the evaluation

## POSITIVE POINTS

- “2SCALE’s ‘bottom up’ PPP strategy appears to have worked well in most cases as an **‘incubator model’ for private-sector-development (PSD) programs**”
- “The **input additionality** of 2SCALE was [...] strong evidence of **development additionality**”
- “2SCALE contributed to **inclusive agricultural growth**, in particular the position of women”
- “2SCALE contributed to ecologically **sustainable food systems**”
- “In terms of outputs and short-term outcomes achieved, 2SCALE has generally **performed well relative to targets**”





# Insights from the evaluation

## ROOM FOR IMPROVEMENT

- More explicit focus on **“reducing malnutrition”**
- Re-design the **program-level ToC (Theory of Change)**
- Streamline the **Monitoring&Evaluation framework** (program- and PPP-level); select **context-specific gender targets**
- Ensure a greater impact on **access to finance**
- **“Achieving a broader impact beyond the individual PPPs is [...] restrained by the fact that [...] partnerships are quite young and [...] enabling environment is not fully conducive”**

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# Dutch ambitions



PSD ambitions 2020	
180,000	Jobs created
2,500	Companies / SMEs supported
Food security ambitions 2020	
20 mln	People with improved food security
5.5 mln	Farmers increase income + productivity
5 mln	Hectare under eco-efficient production



Proven approach of incubating local inclusive agribusiness

Networks, knowledge & skills to scale local, inclusive food systems

Alignment with/ application of Dutch knowledge & technology

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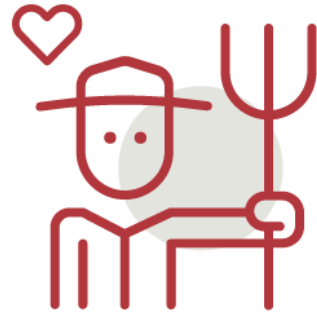
## How 2SCALE contributes

# Goals



## Improve access to nutritious food for 1 million consumers

In 40 BoP markets, access to nutritious food products for at least 1 million BoP consumers will be improved, through inclusion in targeted value chains



## Improve livelihoods of 750,000 smallholders

750,000 smallholders, of which 50% women and 40% youth, will be integrated in value chains to improve productivity in a sustainable manner and increase their incomes



## Develop inclusive business with 5,000 MSMEs

5,000 Micro, Small & Medium Enterprises (MSMEs) and producer organizations, 50% led by women, are supported to participate in inclusive value chains and to develop innovative business strategies.



## Scale over 60 public private partnerships

By 2019, 60 public private partnerships driving inclusive agribusiness strategies will be established and developed in eight different countries in sub-Saharan Africa.



## Objectives

2SCALE aims to contribute to food & nutrition security, sustainable & inclusive economic growth and stability in Africa, by way of public-private partnerships, incubating and accelerating inclusive business models in the agricultural sector. More particularly, 2SCALE aims to:

- Catalyze **inclusive and sustainable growth in the agricultural sector** (local/ regional value chains) in Sub Sahara Africa
- Reduce existing hunger and malnutrition, improved **access to nutritious food for Base-of-the-Pyramid consumers**
- Create **empowering entrepreneurship & employment opportunities for youth and women**
- Facilitate **ecologically sustainable and productive food systems**, strengthening smallholder farmers' capacity to innovate in climate smart farming & post-harvest practices

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# Main intervention areas in partnerships

- BoP marketing
- Sector-wide transformative change
- Climate smart agriculture
- Youth employment
- Female entrepreneurial skills & leadership
- Financial inclusion & fin-tech solutions
- M&E partnership impact pathways
- Impact monitoring past partnerships
- Regional trade (especially West Africa/Sahel & Horn of Africa)

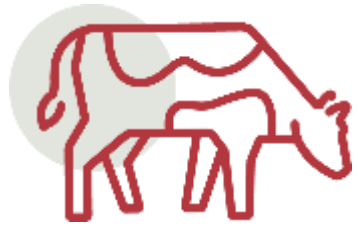


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# Sector focus



## Dairy & Animal Products

- feed and fodder production for poultry industry
- feed & fodder and milk production/supply for dairy industries;
- animal protein-based products for local and regional markets.



## Staple Crops

- sorghum/cassava supply chains for breweries & food processing companies;
- maize value chains for flour millers & retailers;
- rice value chains for local & regional markets.



## Fresh Produce

- potatoes and vegetable (chilies, onions, tomatoes);
- seeds;
- fresh fruits & potatoes supplied to processors, for local and regional markets.



## Oil Seeds

- production of soybeans, sesame and groundnuts;
- production of oil-based products (groundnut, soy, sesame, cottonseed, other);
- cooking oil for local and regional markets.



## BoP Innovation Center

Supports companies and entrepreneurs to develop relevant products and services for and with the Base of the Pyramid (BoP). Their mission is to develop commercially and socially viable business models and activities which includes the people in the BoP as consumers, producers and entrepreneurs.



## IFDC (International Fertilizer Development Center)

Is a public international organization that enables smallholder farmers in developing countries to increase agricultural productivity, generate economic growth and practice environmental stewardship by enhancing their ability to manage mineral and organic fertilizers responsibly and participate profitably in input and output markets.



## SNV (Stichting Nederlandse Vrijwilligers) Netherlands Development Organisation

Is dedicated to a society in which all people, irrespective of race, class or gender, enjoy the freedom to pursue their own sustainable development. SNV focuses on increasing people's incomes and employment opportunities in productive sectors like agriculture as well as on improving access to basic services such as energy, water, sanitation and hygiene.



Ministry of Foreign Affairs of the Netherlands

## DGIS (Directorate-General for International Cooperation)

The department of Inclusive Green Growth of the Directorate General of International Cooperation of the Dutch Ministry of Foreign Affairs (DGIS/IGG) ensures universal access to and wise use of natural resources. DGIS is responsible for Dutch foreign policy on the following themes: climate, water, food security, energy, raw materials and the polar regions.

# Synergies with other initiatives

**Synergies with EKN (Embassy of the Kingdom of the Netherlands) projects** - knowledge exchange & coordination (e.g. HortiFresh, KMDP (Konkola Deep Mining Project), HortImpact)

**Region- or sector-wide programs** – participation & exchange (e.g. WATF (West Africa Task Force), TMEA (TradeMark East Africa), Cassava program IDH)

**Advisory role EKN** - alignment MASP (Multi-Annual Strategic Plan), selection champions, brokering Dutch companies & knowledge institutes

**Linking promising 2SCALE partners(ships)** to SDG-P (Sustainable Development Goals Partnership), DGGF (Dutch Good Growth Fund), GAFSP (Global Agriculture and Food Security Program), finance partners i.e. Oikocredit, Rabo Foundation, CFC

**Sharing learning & experience** – with organizations such as Food & Business Knowledge Platform (F&BKP) and Agriprofocus, in the Netherlands and in project countries



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Get in touch with our local offices to learn more about our program

# Where to find us

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# 2SCALE

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Ministry of Foreign Affairs of the  
Netherlands



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# Thank you

