

Strategy Group on Sustainable AGRI Food Systems



The 3rd full meeting of the Strategy Group on Sustainable AGRI Food Systems on 29 June 2021 provided the opportunity for the Working Groups to present their proposals and set the direction of travel for the rest of the project.

These proposals will be taken forward within the context of the Africa Europe Heads of State summit to be held in February 2022.

The aims of the proposals include ramping up labour productivity in Africa and tripling the rate of growth of per capita, improving the lives and livelihoods of farmers who should be viewed as economic agents rather than mere food producers, and ensuring farmers have access to urban markets.

The first proposal discussed during the meeting concerned **concessional resources to investment vehicles** that provide support to the AGRI SME sector.

The Group has found that most SME funds are not delivering market rate financial returns to their investors, and it is often difficult for SMEs to access them.

To resolve this, it is recommending a substantial increase in funding via dedicated investment funds and strengthening the capacity of specialised financial vehicles to take on more financial risk than they would otherwise.

Secondly, it recommends targeting a specific slice of that additional capital for technical assistance and creating a fast-track mechanism to help accredit SME funds that would like to tap into Initiatives from the EU or the African Development Bank.

The second Working Group presented its proposal on **financing and mentorship for agricultural entrepreneurs and SMEs**.

This Group recommends a better financing system to allow entrepreneurs who have a project idea to deliver it, using existing infrastructure funds or funds which are specialised in working with SMEs, as well as encouraging more seed funding to allow young enterprises to reach the next level.

The Group also recommended mentorship for entrepreneurs to make their business sustainable and help ensure a young enterprise survives beyond the third year, as well as developing networks, supported with financial grants, to provide support between entrepreneurs.

The Working Group on the **Africa Europe Knowledge hub for co-innovation** explained that it aims to provide training and professional development in Africa and Europe through a network of knowledge hubs, building on what already exists at regional and country level.

It also recommended increased information sharing and dissemination, funding for scholarships and exchange programmes, professional development programmes, and a permanent funding scheme for the knowledge hub.

There was also a proposal for an **Africa-EU exchange for agricultural entrepreneurs** with a focus on knowledge, skills, and practice, covering all facets of the food system. The Group believes this proposal could be launched this year.

The final proposal, called the “**Sahel Renaissance**”, aims to put the Sahel region on the road to prosperity by 2030. The Group has put together an eight-point plan covering measures to be taken by national and local governments, partner countries, international finance institutions, and the private sector.

Over the next few months, the above proposals will be refined, and opportunities identified at various global events to showcase them in the lead up to the EU-Africa Summit next year.