



**ELITE SPACE INTERNATIONAL**

Professional skills development



***AGRICULTURAL VALUE CHAIN FINANCING MANAGEMENT AND BEST PRACTICES: VIRTUAL INSTRUCTOR-LED TRAINING***

## About the training



Elite Space International has collaborated with agribusiness experts to address issues

which are faced by agricultural value chain players through **Agricultural value chain financing management and best practices, virtual Instructor-led training.** Farmers, suppliers, processors, and buyers need access to finance to operate and develop their businesses. Also, microfinance institutions and banks often struggle to contain their risks and costs in financing agriculture.

Through this program, participants will engage with their industry peers and experts to acquire more knowledge and add value to their organisations as well as their role as financiers. Participants will dive deep into the concept of agricultural value chain financing, considering the challenges faces by the key players in financing, as well as ways to mitigate these challenges for positive outcome. Our expert training facilitators will guide you through financing and lending techniques suitable for different individual farmers or organisations which works. Different business models for value chain financing will also be discussed matching them to different scenarios.

Participants will also explore different financing instruments in value chain financing and identifying best financing strategies to address different individual needs, using case studies. Through our expert agribusiness trainers, participants will be able to draw from their wealth of experience best strategy and design recommendations on programs dealing with agricultural value chain financing and value chains, best ways to design and implement agricultural value chain financing, and Factors to consider when defining a value chain finance strategy and business model. This program will also address risk management in agricultural value chain financing, value chain governance and gender mainstreaming in Agriculture Value Chain.



## Benefits of this training

- ✓ Participants will understand key concepts of Agricultural value chain financing.
- ✓ Understand challenges faced by value chain players due to lack of financing.

- ✓ Gain more knowledge on different business models in agricultural value chain and best ways to apply them.
- ✓ Factors to consider when defining a value chain finance strategy and business model
- ✓ Participants will lean more on best strategies to sustain value chain.
- ✓ Identify value chain financing and lending techniques that works
- ✓ Understanding financing instruments used in agricultural value chain financing given different scenarios
- ✓ Risk faced by financing institutions in value chain financing and mitigation strategies
- ✓ Recommendations for design and implementation of agricultural value chain finance
- ✓ Value chain governance
- ✓ Addressing and defining constraints through Agricultural value chain financing
- ✓ Addressing gender mainstreaming in Agricultural value chain

### **Who to attend**

This course targets;

- ✓ Employees working in agricultural research and value chain entities
- ✓ Farmers
- ✓ Market development projects managers
- ✓ Financing institutions in agribusiness
- ✓ Agribusiness project managers
- ✓ Financial managers responsible for Agribusiness
- ✓ Employees responsible for analysing agricultural value chain finance
- ✓ Relationship managers
- ✓ Credit management staff
- ✓ Government institutions,
- ✓ Universities(agricultural faculties)
- ✓ Development organisations in Agribusiness
- ✓ Agencies
- ✓ NGO staff

## Training methodology



This training is based on virtual instructor-led learning, participants will engage in this training with us via live remote sessions. All training are non-recorded and live. We strongly believe in a highly interactive training content delivery style to promote an immersive and engaging learning experience for our delegates.

Participants from different organisations across the globe will be cooperatively sharing ideas and using examples based on their workplace environment. Most of the interactive learning will take the form of simulated exercises, interactive and illustrational video lessons, and case studies where our delegates will understand and demonstrate the skills taught. **Elite Space International** is committed to ensuring that participants are equipped with current global practices and skillset which subsequently add value to their organisations and their careers. Our expert training facilitators are on standby to assist all our participants in their journey to competency

## Course Outline

### Introduction to Agriculture Value Chain

- Definition of value chain
- Key concepts in value chain
- Value chain cycle

### Agricultural value chain finance

Importance of agricultural value chain finance

Impact of lack of finance on the value chain

- Lack of credit for the processor
- Lack of credit for the producer
- Lack of credit for the input provider

**Understanding different business models for value chain and applicability using case studies.**

- Producer driven model

- Buyer driven model
- Facilitator driven
- Integrated model

### Factors which determine the sustainability of value chain (using case studies and examples)

- Sustainability of various operators' especially small holders in value chain (identifying underlying challenges faced by small holder farmers)
- Availability of support services
- Contractual agreements
- Exogenous factors
- Engendering benefits for all

**Agricultural value chain financing instruments, application, benefits and limitations (through the use of case studies and relevant examples)**

- Product financing
- Physical asset collateralization
- Risk mitigation product
- Joint venture financing
- Trade receivable financing
- Financial enhancement

### **Risk faced by financial institutions in Value chain financing and mitigation techniques (using different case studies and examples)**

- Market price risk
- Crop and weather risk
- Collateral risk
- Production risk
- Human risk
- Other risks

### **Risk management in Value chain (Using relevant examples and case studies)**

- Increased sustainable practices
- Risk sharing
- Insurance
- Income smoothing

### **Strategy and design recommendations for programmes dealing with agricultural value chains and agricultural value chain finance**

#### **Recommendations for the design and implementation of agricultural value chain finance**

- Have clear development goals
- Use a development approach Seek to maximize returns to society as a whole and to the priority target groups and regions in particular.
- Identify initiatives with a strong business case
- Acquire knowledge about the value chain
- Before considering financial interventions, consider non-financial alternative

- Use step-wise approach
- Create conditions for synergy between grant and debt finance
- Use agricultural value chain finance to rebuild or strengthen actor's creditworthy

### **Factors to consider when defining a value chain finance strategy and business model**

- Agricultural value chain finance strategies and models must be flexible
- Promote the development of promising value chain finance strategies and business models
- Support design driven by value chain actors

### **Addressing and defining constraints through Value Chain Finance**

- Demand for agricultural finance.
- Identification of the critical constraints
- Importance of finance to value-chain actors.
- The Complementary Nature of Direct and Indirect Value Chain Finance
- Benefits and Limitations of Access to Agricultural Finance from Value Chain Actors
- Cons and Pros of AVCF
- Acquire knowledge on how to conduct an inventory of financial service providers
- Shifting focus on opportunities and potential for small scale Agri-Business holders
- Base interventions on a sound assessment of capacity-building needs
- Facilitate knowledge management and training

## **Value Chain Governance**

- Introduction to value chain governance
- Importance of value chain governance
- Types of value chain governance
- Analysing value chain governance

## **Gender Mainstreaming in Agriculture Value Chain**

- Gender Analysis in Value Chains
- Integrating Gender Issues into Agricultural Value Chain Process
- Constraints in Gender Integration in Value Chains