



The Agroecology Accelerator

The Agroecology Revolving Loan Fund



Created by:



Unhealthy diets
leading to rise of
Non Communicable
Diseases - Diabetes,
Cardiovascular
disease & stroke,
Cancers

65% of agricultural
land in Africa is
degraded

Soil fertility is
declining, water
cycle breaking down

Climate related
challenges affecting
rainfall conditions

Biodiversity loss is at
a record high

Food insecurity,
unemployment, rural
poverty persist

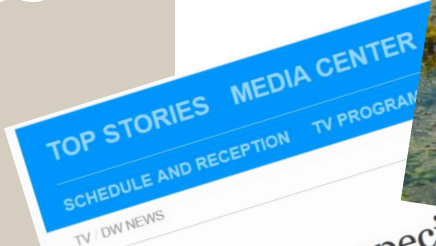
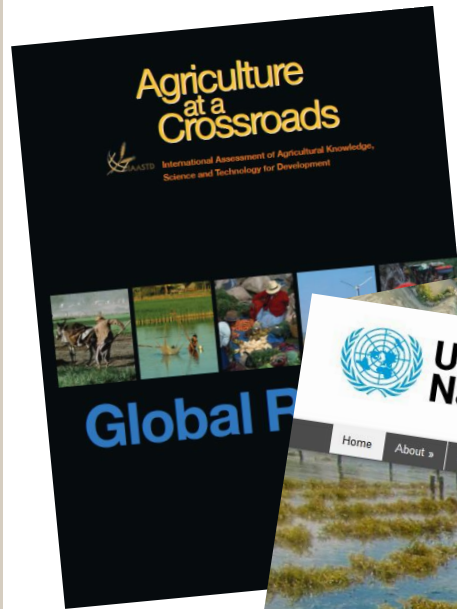
The future of
soil and
ecosystems
is at
crossroads

There is overwhelming evidence that our current conventional farming systems based on monocultures and external inputs, are a root cause of these challenges



The **AGROECOLOGY**
Accelerator &
Loan Fund

No alternative:
We need to
transform our
Food Systems



UN report says species loss 'unprecedented'
According to a UN-backed report, one million species face the risk of extinction within decades. This loss of biodiversity is likely to have a direct and lasting impact on human life. But it's not too late to fix the problem, the report's authors say.



"The Anthropocene is one of the greatest health and environmental challenges of the 21st century"
EAT-Lancet Commission on healthy diets from sustainable food systems

THE LANCET

The best science for better lives

Agroecology as a solution

AGROECOLOGY IS

- A holistic approach for improved food systems following 13 principles
- building on (bio)diversity and ecological cycles & processes
- creating & using synergies between animals, plants, microorganisms and soil
- maximizing fertility while minimizing ecological impact
- increasing food security **and resilience**
- centered on social equity and participation
- featuring holistic, context-specific, adaptable approaches
- transformative via evidence-based, scientific approaches

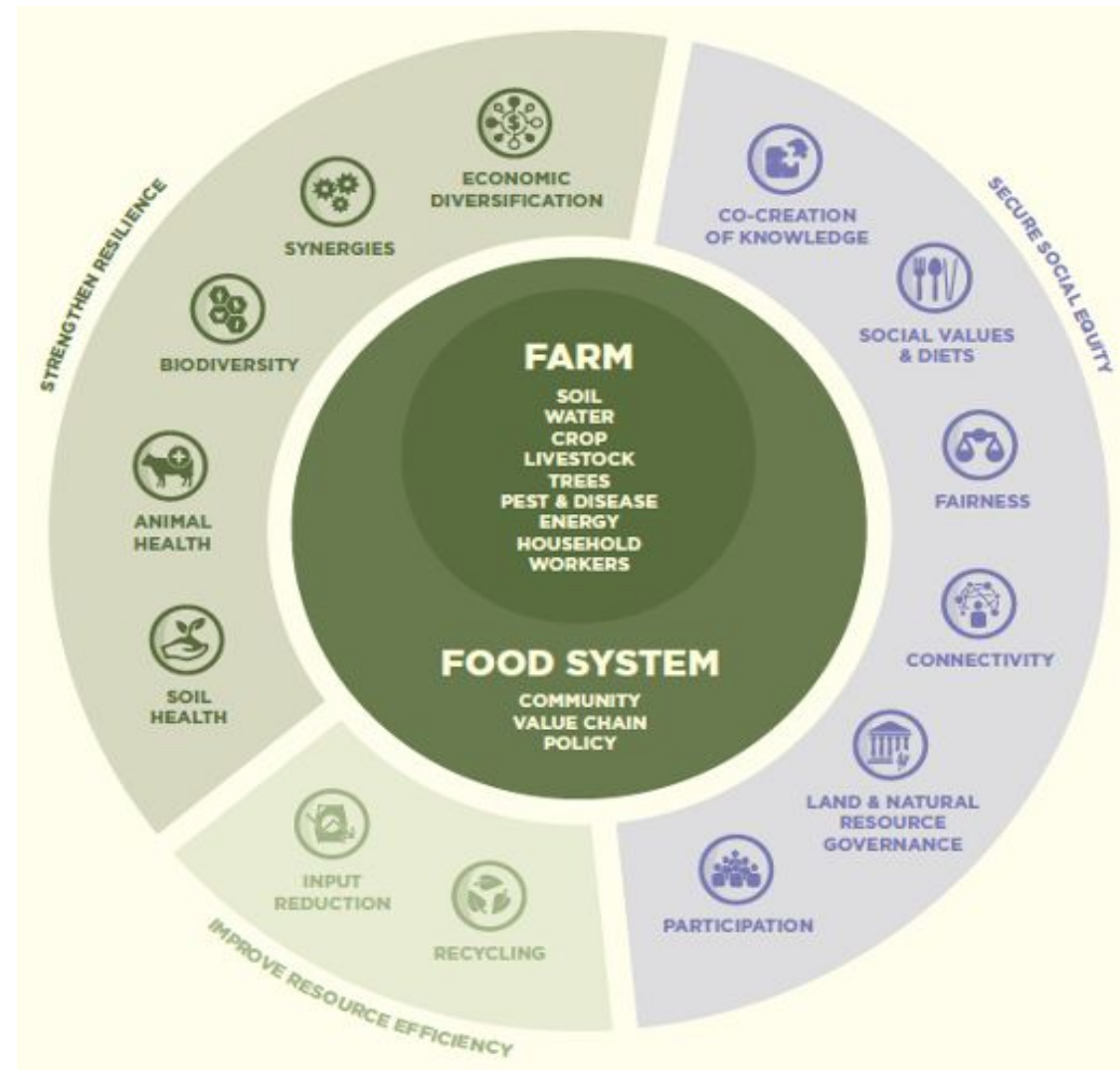
13 Principles of Agroecology Reflect

Dignified work and more jobs

Carbon rich, fertile soils

Diverse, resilient economies

Cultural diets & biodiversity



Adapted by Biovision Foundation from the FAO Principles

African-led Agroecological Enterprises (AEEs) Serving Local Territorial Markets are Rising

“Agricultural growth in Africa is
2-3x times more effective in
reducing poverty than growth
in any other sector.”



Agroecology Enterprises create ...



The
AGROECOLOGY
Accelerator &
Loan Fund

- **Local Wealth** – income, jobs, financial returns, tax revenues
- **Well-being** – local cultural foods, biodiverse, fresh, safe and nutritious diets
- **Healthy Territorial Markets** – local **resilient** businesses
- **Cyclical Economies**, building resilience, soil fertility, biodiversity

Examples for Agroecological Enterprises (AEE)

Guavay Tanzania

*95% of Tanzania's fertilizer imported
& market waste is an unused
resource*

- Produces Hakika organic fertilizer from local resources
- Produces 500-800 metric tons of fertilizer locally
- Employs 22 staff (12 FT), reach 3300 farmers
- Yield improvements of 20%
- Enables organic avocado exports

*"Agroecology creates a cyclical
low-input bioeconomy"*

Busaino Fruits & Herbs Uganda

*38% of Uganda's exports are food, the
local diet is low in fruits and green
leafy vegetables*

- Aggregates, processes and markets branded BuFruits, Namazzi Organics
- Woman-led business trained 266,000 smallholders
- Weekly sales of 200 tonnes mixed fruits, herbal teas
- Employs over 1,250 women in processing and value-added activities, another 1,754 benefit as transporters

*"Agroecology's biodiverse production
increases economic resilience &
nutritional value"*

AEEs lack critical early-stage support to become profitable, investable businesses



Existing Business & Financial Support Services do not match AEEs needs:

Investment size (missing middle)

Collateral demands

Interest rates

Loan periods

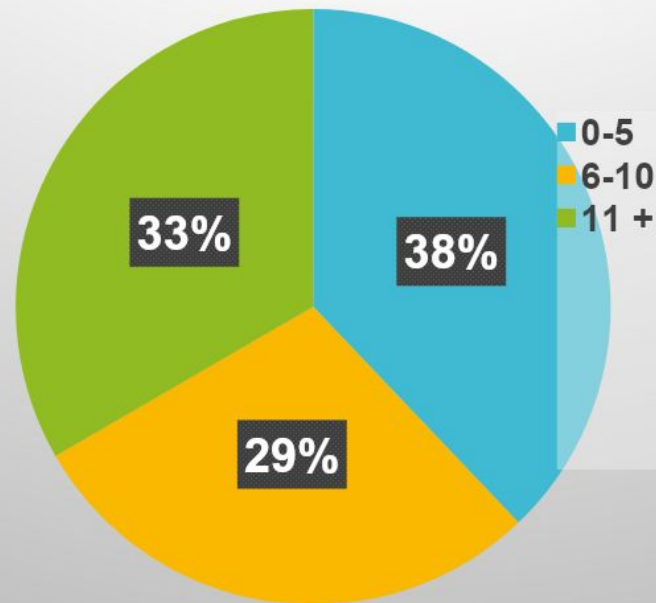
Single commodity logic & metrics

No holistic business support

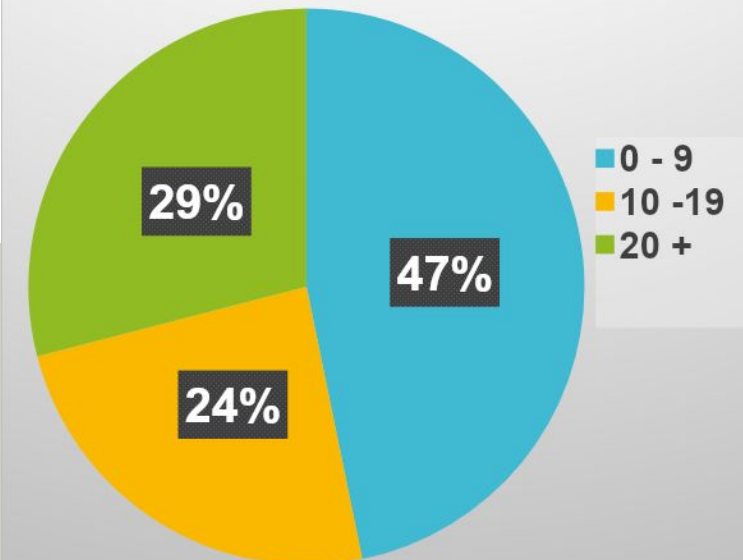
Revenue
(reported by 41 of 68)



Years in Business



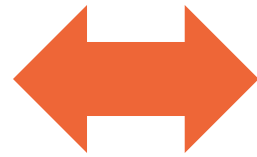
Number of Farmers/Employees



→ Low Revenues // Young Businesses // Micro SMEs

**"THE FUTURE OF
AGRICULTURE IS
NOT INPUT-
INTENSIVE BUT
KNOWLEDGE-
INTENSIVE.
WE NEED THE
INTEGRATED
APPROACH THAT
AGROECOLOGY
CAN OFFER."**

FAO Director-General
José Graziano da Silva



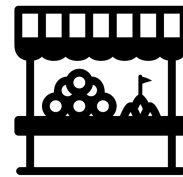
Investing in
AEEs is the only
way forward to
address the
ecological crises
and the need to
create local jobs
and well-being
in Africa.



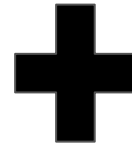
The
AGROECOLOGY
Accelerator &
Loan Fund

Our Solution

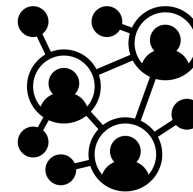
The Agroecology Accelerator + Revolving Loan Fund



Identify
growth
oriented
AEEs



Flexible
capital



Access to
Networks



Capacity
building



Growth of
AEEs

This model is unique

One of the first accelerators exclusively focused on Agroecology

Combining Capacity building + Finance

African-led with gender sensitive design

Open-source knowledge sharing

Connects and reinforces agroecology networks and policy agenda

Based on solid research and evidence incl. a feasibility study



Identify growth-oriented AEEs

An agroecological enterprise

Past pilot stage with an existing customer base and sales

A scalable enterprise with market and business model that goes beyond a single-farm

A registered private enterprise in Kenya or Uganda

At least one founding member is Kenyan or Ugandan

At least one founder working full-time in the business

Organic farmer selling organic products

Country: Kenya
Focus: Production, sales, training

Yearly revenues: Around USD 50k (80-100 baskets/week)
Funding need: USD 50k

Main activities:

- Organic farming
- Training farmers, students and practical action research (2 farms as training centres)
- Sales of organic produce (aggregation from 50 farmers, logistics, bizdev)

Funding and business support needs

- Working capital for logistics + scaling (rent, salaries, field staff)
- Training of farmers for quality sourcing
- Equipment for logistics, storage (cooler) and value addition

Favourite non-financial impact:

→ Soil quality = better yields = more nutritious crops = making healthy, diversified food affordable for all, regardless of people's income.

The Accelerator & Loan Fund provides:

- *Peer-to-peer and expert support*
- *Grant money for training purposes and certification*
- *Standard or revenue-based loan for operational and capital expenditures*
- *Continued support to Alumni for follow-up funding*

Organic biopesticide business

Country: Uganda
Focus: Biological pest management

Yearly revenues: Around USD 1-2k (sells 1000-2000L)
Funding need: USD 15k

- Passionate about helping his community to grow the crops they want organically
- Very effective biopesticide that can be used on most fruits (and also vegetables).
- Side-business. He works as a science teacher in an international school in Kampala

Funding and business support needs:

- Customer segmentation and marketing and communication to farmers
- Developing the branding and packaging of his products
- Growing demand and organising a distribution network

Favourite non-financial impact:

→ Health of the farmers, consumers and the environment.

The Accelerator and Loan Fund can provide (if deemed eligible):

- *Business validation and expert consulting services*
- *Working capital to set-up a distribution network and increase commercial outreach*
- *Connections with other Agroecology actors to promote this important bio pest management solution*



Capacity building

1-on-1 mentorship

Expert consulting

Certification support

Peer learning

Visits to businesses



Flexible capital

Flexible capital through a combination of instruments to support working capital and asset acquisition and create on-ramps for 50,000 - 150,000 USD follow-on investment

Loans

- Between USD 10,000 - USD 50,000
- Interest rate - 15 - 18%
- Average Term - 24 months
- Businesses have opportunity to re-borrow multiple times until they raise follow-on investing
- Use of funds - Working capital & Asset acquisition

Revenue share

- Between USD 10,000 - USD 50,000
- 10% of annual revenue with a 2 - 2.5x multiple
- Businesses have opportunity to re-borrow multiple times until they raise follow-on investing
- Use of funds - Working capital and asset acquisition



Access to Networks

Networking events

Access to markets

Access to investors for follow-on investment

Our Plan

Building phase(2023 - 2025)

- Uganda and Kenya
- 60 AEEs supported
- 36 Investments in AEEs
- 30,000 smallholder farmers as indirect beneficiaries
- **Focus:** Building and validating the accelerator model
- Biovision and SHONA will be co-creating the accelerator as equal partners

Scaling phase(2025 - 2030)

- 5 countries
- 190 AEEs
- 114 Investments
- 95,000 smallholder farmers as indirect beneficiaries
- **Focus:** Scaling the model to more countries in East Africa
- SHONA will take full ownership of the implementation

IMPACT

- Improved biodiversity, soil fertility, farming systems
- Improved food and income security of AE farmers
- Sustainable economic growth
- Increased climate action to combat climate change
- Improved local wealth, jobs and well being

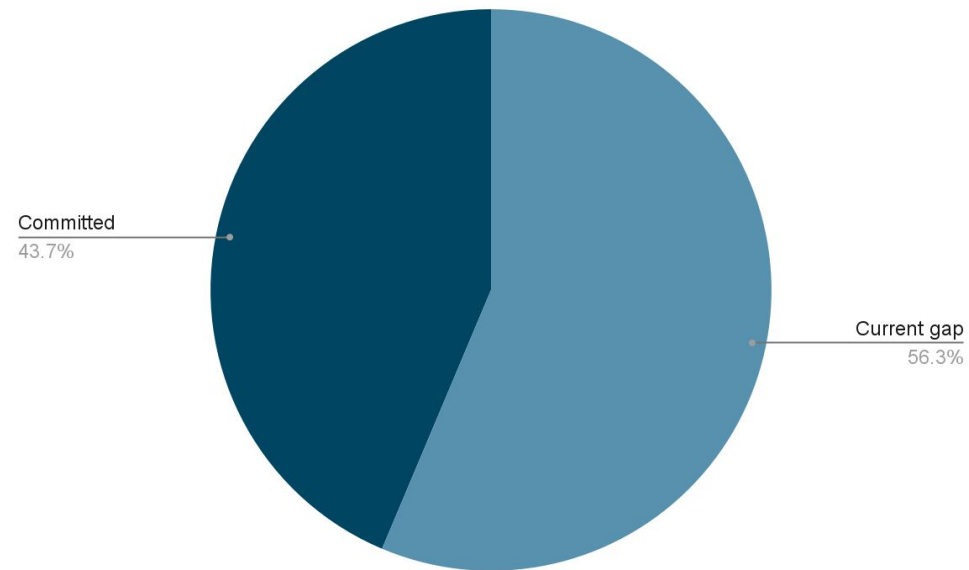
Our Timeline



We need
your
support to
build this!

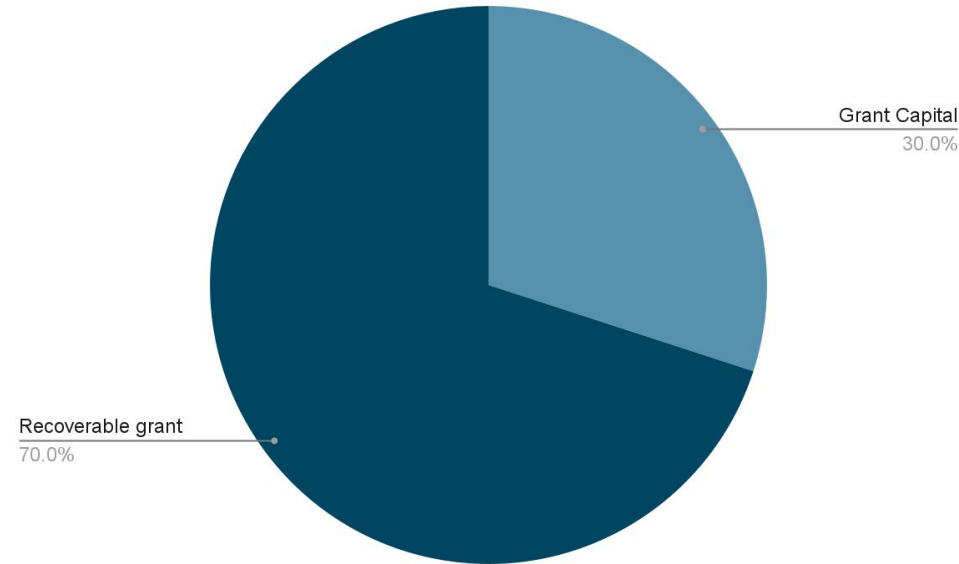
Agroecology Accelerator

Total 3 year budget = USD 1,890,000



Committed = USD 275,000 / year
Current gap = USD 355,000/year

Agroecology Revolving Loan Fund



We need
your
support to
build this!

	2023 loan fund	2024 loan fund	2025 loan fund
Grant funding	USD 108,000	USD 108,000	USD 108,000
Recoverable grant	USD 252,000	USD 252,000	USD 252,000
TOTAL	USD 360,000	USD 360,000	USD 360,000

An Opportunity for Investors Seeking Green Investment Experience



Provision of pipeline of investment ready AEEs



Contribution to a business acceleration ecosystem that favours Agroecology



Prioritizing holistic ecological outcomes and social or gender equity outcomes over purely finance outcomes and narrow ecological outcomes



Possibility to track multiple returns



Focus local crops and territorial markets which benefit women, instead of narrow focus on export crops

About Us

We have been helping entrepreneurs build successful businesses across multiple sectors in East Africa since 2013. We do this through:

- **SHONA Consulting** - Management Consulting & Financial Advisory
- **SHONA Programs** - Enterprise Development Programs incl. business training & accelerator programs
- **SHONA Capital** - SME Lending

We have so far worked with more than 250 SMEs in Uganda, Kenya, Tanzania and Rwanda.

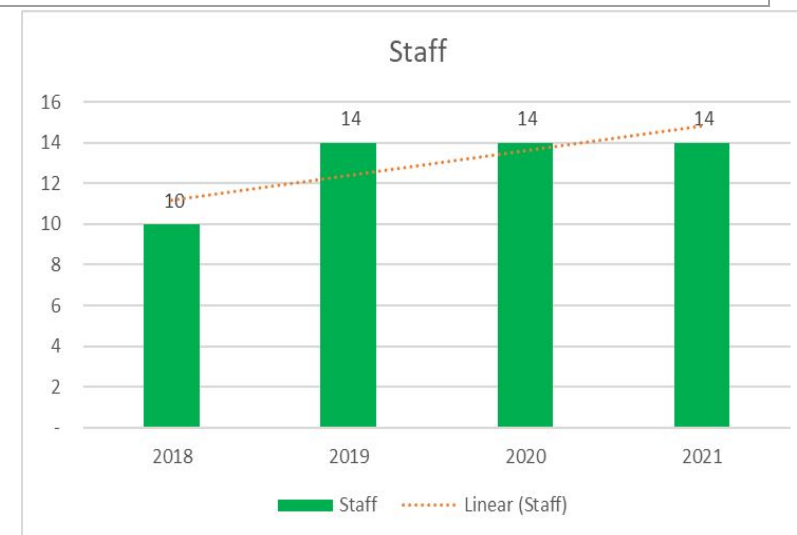
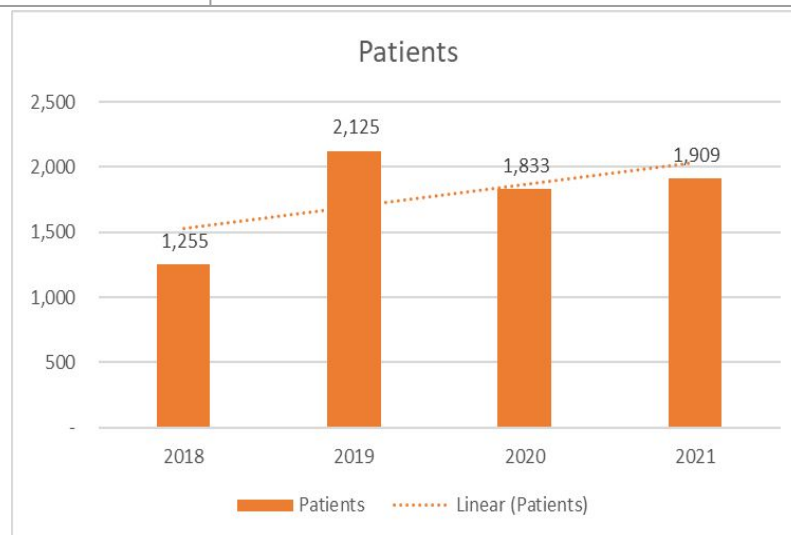
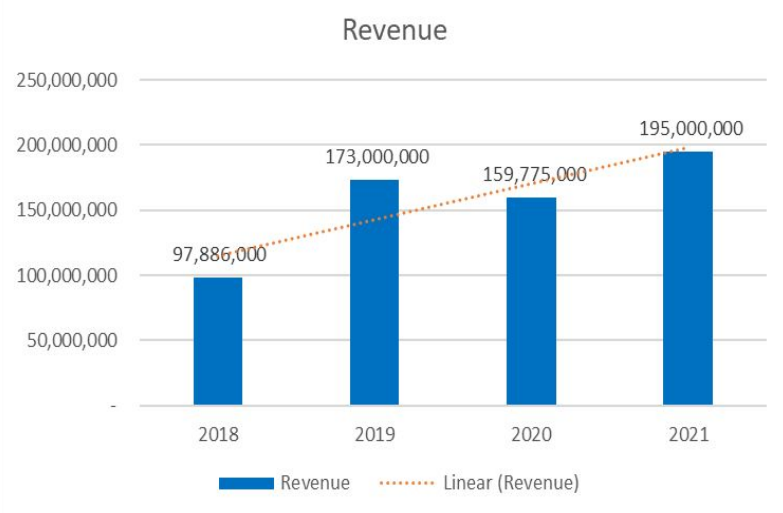
Learn more about us here: www.shona.co



SHONA

Chain of Dental clinics

Business	An upcoming chain of dental clinics in Uganda, providing affordable and high-quality dental healthcare services for the lower middle class
Loan Amount	\$40,000
Issue Date	February 2019
Use of Funds	Acquire new equipment for sophisticated procedures, improved the aesthetics of the clinics and invested in customer acquisition.
Benefit	Before receiving this loan, they had received a \$10k loan from our partner, Kiva, in January 2018 with our support. This enabled them setup a second clinic and gave them capacity to double patient numbers from 700 to 1,255, staff from 3 to 10 and revenue from \$12k to \$27k in 12 months. This prepared them for a bigger loan from SHONA Capital. They have seen significant growth after receiving the second loan and support, growing from 10 staff to 14 staff, and doubling their revenue from \$27k in 2018 to \$53k in 2021.



Thank you

Joachim Ewechu, CEO SHONA

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Stiftung für ökologische Entwicklung
Fondation pour un développement écologique
Foundation for ecological development

