

NABC

Edition 2017

MAGAZINE

NETHERLANDS-AFRICAN
BUSINESS COUNCIL

Innovation in FINANCE



Banking

Partnerships

Investment

Access to Finance

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Dear reader,

We proudly present you the NABC Magazine 2017. This year's edition is themed 'Innovation in Finance' following our 2016 'Africa Works!' conference, the leading conference in the Netherlands on doing Business in Africa.

2016 was an eventful year for Africa and the NABC. It was the year in which opinion leaders and influential magazines did away with the phrase 'Africa Rising'. After two decades of jumping back and forth between the extremes of pure pessimism ('the hopeless continent') and uncensored positivism ('Africa Rising'), we have now entered a period of realism about the opportunities and challenges Africa offers. In fact, the term Africa Realism was introduced by Jürgen Rigterink, the new CEO of Dutch development bank FMO, during his keynote speech at Africa Works. You can learn more about his insights on the new African reality in his extensive interview featured in this magazine.

'Africa Rising' or 'hopeless continent'. We certainly aren't too sad that we have lost this terminology. We never felt that these phrases did could sufficiently describe the myriad of different developments that are taking place on the continent simultaneously. Some countries were indeed rising more than others. Others experienced periodical downturns. But overall we see progress, we see an emerging SME sector in Africa, we see innovative solutions being born there, we see stronger African financial institutes and ever strengthening governance throughout the continent.

We are also proud to share with you the story of Laureen Kouassi-Olsson, an investment banker from Ivory Coast. As a young female banker from Africa she was working for Lehman Brothers on the day it collapsed in 2008. The events set in motion by this had a surprising effect on African economies. We also interviewed Nigerian angel investor Tomi Davies and sat down with Amine Bouabid and Edward Effah, we are both CEOs of large banks in Africa. They share their views on Africa, on various economic developments in the region and the role Fintech can play on the continent.

Which financial innovations can you expect to read about in the magazine? You can read about the innovative company Simbuka, a pioneer in smartphone-based credit scoring. There is also an article about the rise of lease-finance, and you can further learn about the radical changes fintech solutions are having on healthcare in Kenya.

Are you looking for funds for your innovative company? In this edition of our magazine you'll be served with detailed information on several options to access finance, such as the Dutch government's Dutch Good Growth Fund.

We sincerely hope this magazine will help you to better understand what the impact of innovation in finance can mean for Africa and to your business, and that it will indeed inspire you to do more business on the continent.

Managing Director,
Irene Visser



Head of External Affairs,
Marina Diboma



“ We see progress, we see an emerging SME sector in Africa, we see innovative solutions being born in Africa, we see stronger African financial institutes



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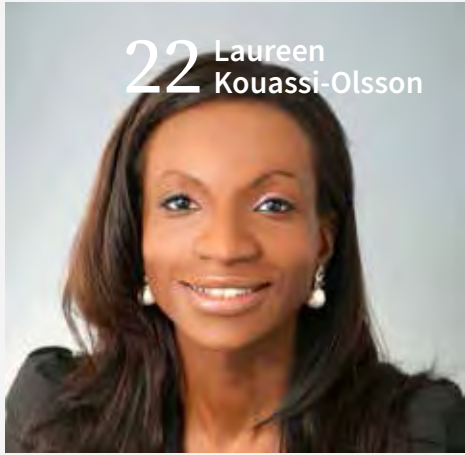
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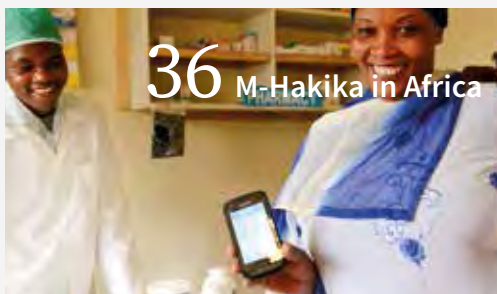


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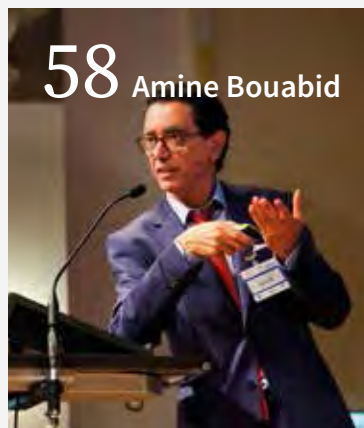


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JAN

New year's reception
at Heineken



FEB

Africa Business Club,
hosted by Flynth

Outgoing trade mission to
Africallia, in Burkina Faso



MAR

Information session on
Business opportunities in
Zambia's poultry sector

Business forum
Netherlands - Algeria
Africa Business Club,
hosted by KIT

An overview of our



JUL

NABC Annual BBQ
at Beach Club Zanzibar



AUG

Incoming trade mission
from Mali, Niger and
Burkina Faso

Outgoing trade mission
to the African Dairy
Conference and Exhibition,
Rwanda

Mozambique agriforum
in South Africa



SEP

XS2Justice Network
International event

Africa Business Club,
hosted by AMREF

Africa impact initiative,
networking reception during
Africa capital week



APR

Africa Business Club,
hosted by TNO



MAY

Outgoing poultry mission
to Kenya

Morocco business event

Incoming agricultural trade
mission from Uganda,
under the Netherlands
Management Training
Programme



JUN

Incoming GhanaVeg
mission and Ghana
Agribusiness Seminar

activities in 2016



OCT

Incoming mission from
Kenya: agro-logistics, urban
planning and greenports

Sudan business seminar



NOV

Africa Works!
Spices and herbs trade
mission to Tanzania,
Zanzibar

Oil and gas roundtable
mission to Algeria



DEC

GhanaVeg Roundtable
Doing business in Ghana

Ambassadors dinner



About NABC

It is our belief that the Dutch private sector has a prominent role to play in the sustainable development of the African continent. African governments are opening up their economies to foreign investment, implementing reforms to shape positive business environments, and stimulating foreign companies

to establish local ventures. As the narrative of Africa has changed worldwide, businesses from all over the world are looking to invest in the continent.

NABC's primary objective is to actively link Dutch companies to developments that are emerging on the African continent, thereby

helping them to seize new business opportunities.

Our vision is that by 2025 Africa is an economically thriving continent that is globally competitive in trade and investment. Our mission is to ensure that the Dutch private sector plays a crucial role in driving growth in a sustainable and inclusive manner. NABC aspires to be the leading facilitator in this process.

Four pillars drive this process: NABC **informs** the Dutch business community about business opportunities on the continent; **inspires** Dutch businesses to invest in Africa; **catalyzes**, accelerates and facilitates these business opportunities and **connects** public and private entities and establishes Dutch-African networks and partnerships.



Klaas Knot, president of the Dutch Central Bank (DNB) with Marine Diboma during Africa Works!



Tomi Davies speaking to Ben White

Photos: Jan-Joseph Stok

NABC's key products & services are:

Member Services: African Business Clubs, Networking, News, Member Support Services, and Communication Support Services

Events: Africa Works!, Country Events, Sector Events, Investment Conferences, Trade Fairs and Expos, Public-Private Dialogue, the yearly Ambassadors Dinner and Match-Making Events

Trade Missions: Incoming and Outgoing Trade Missions, Tailor Made Trips, Learning and Capacity Building Tours

Sector Platforms: African Corridors, African Agri-Business, and African Business Services

NABC IN NUMBERS

350+
Members

5000+
Africa focused
business contacts

60+
Business Events

75+
Trade Missions

Trade Missions

Trade missions have long been the primary way for internationally oriented businesses to establish relevant networks abroad. NABC has extensive experience with both outgoing and incoming trade missions to and from virtually every African country.

These missions are excellent opportunities to establish local contacts, get a taste of the local business climate and get to know other Dutch businesses active in Africa. Our close cooperation with Dutch embassies and local agencies presents

plenty of possibilities to lay the basis for or further expand enterprises in Africa.

NABC is also an expert facilitator of incoming trade missions of government or mixed delegations. We bring business delegations from all over Africa to the Netherlands for matchmaking, company visits and knowledge exchange.

Contact NABC to organize your tailor made trade mission or to sign-up for one of our scheduled trade missions in 2017 at info@nabc.nl

Spices mission to Tanzania

From the 21st till the 26th of November, NABC organised a spices mission to Tanzania. Amongst the 22 participants there were 16 companies from 7 European countries representing an annual purchasing volume of 75.000 tons (10-15% of the European spices imports). We visited ZSTC clove fields on Zanzibar, pepper, cloves and cinnamon fields in Morogoro and Muheza, the ginger fields of Mwamba-Miyamba and the cardamom fields of the Kindoroko group near Moshi. In addition, various stakeholders, such as certification, financial and governmental bodies were brought on board to address the quality and pre-financing challenges faced in this sector. The multi-stakeholder presence and suppliers and destinations visited demonstrated the vast potential of Tanzania as new spice origin and the employment possibilities offered by this sector. In November, we aim to discover the spices potential of Madagascar, so if you are interested, join us!



Above: a farmer showing cloves
Below: Participants on a spice mission



Photos: Heike Heine/Ako The Spice Company

Sector Platforms & Member Support Services

NABC'S SECTOR-SPECIFIC APPROACH

The NABC manages sector specific programs that help to position Dutch businesses in African markets. NABC elevates its sector specific work through its sector platforms. With these platforms, NABC aspires to improve the quality of services provided to ensure that its members continue to derive greater value from their membership. NABC launched two sector platforms in 2016: African Corridors and African Agribusiness. These platforms build upon our vast experience and will support you in exploring sector-specific business opportunities.

AFRICAN CORRIDORS

African Corridors is the leading Dutch network bridging the maritime, transport, logistics, and construction industries in the Netherlands with those in Africa. African Corridors and its partners provide innovative and sustainable solutions to both local and global corridor challenges. As the African market is an emerging one, its growing



economy increasingly puts pressure on existing infrastructure, resulting in growing demand for infrastructure solutions. To meet this demand, the African Corridors network connects Dutch companies to business opportunities that emerge anywhere in the value chain across Africa, allowing them to better tap into Africa's potential.

AFRICAN AGRIBUSINESS

African Agribusiness is the leading Dutch network linking African agricultural industries and business opportunities with those in the Netherlands. NABC believes that structural support for local agribusiness development by both Dutch and African companies is the key to overall agricultural development in Africa. Our dedicated team, with specific expertise in the Poultry, Dairy and Horticulture sectors, building upon previous work and programs in these sectors, shape our African Agribusiness Platforms. Join the African Agribusiness network to set the agenda for your engagement with Africa and to make your sector opportunities concrete. Two platforms within African Agribusiness include:

1. Dutch Dairy Development Partners: This platform continues the successful Dutch Dairy Development Partnership Program. Over the past three years, this partnership has enabled Dutch companies to gain entry into the Kenyan and Ugandan dairy markets. By working with Dutch dairy value chain actors and local stakeholders we contribute to the continued growth of the dairy sector in East Africa. The Dutch Dairy Development Partners aim to keep our dairy members together and expand our



value proposition in the poultry industry to new African markets. An integrated approach increases the chances of success whilst reducing each individual company's risk exposure. You are welcome to join this platform as

facilitatory services to new African markets.

2. Dutch Africa Poultry Platform is a platform exploring business and market entry opportunities for the Dutch Poultry Sector in Africa. The platform builds upon the successes of the NABC-facilitated HAPP (Holland Africa Poultry Partners) in Ethiopia. The focus of the Platform is to bring the integrated Dutch value proposition in the poultry industry to new African markets. An integrated approach increases the chances of success whilst reducing each individual company's risk exposure. You are welcome to join this platform as we collectively strive to build a competitive African poultry industry together with our Dutch partners.

For more information about our platforms or to sign-up for one of our sector platforms please contact NABC at info@nabc.nl.

AFRICAN BUSINESS SERVICES

The core of our business is providing Dutch companies with the tools and knowledge they need to succeed in Africa. Therefore, we are always ready to provide answers to any questions our members may have. Through our Member Support Services, we have already provided the following services to many of our members:

- **Members call upon us** to connect them with relevant stakeholders. Through our many years of experience in Africa and our extensive network, we have amassed a large database of potential business partners in almost every industry in most African countries.
- **Doing a market scan.** Knowing the market is key for any business, and our market scans can provide necessary information on a whole range of topics including socio-economic developments, trends in trade and investment, macroeconomic developments, political climate, options for financing, logistics, and business etiquette.
- **Corporate Branding & Positioning:** “Doing business without marketing is like flirting in the dark.” Many members enjoy additional branding and visibility in our extensive Africa-focused network through our newsletter, social media, magazine, and during events. Options range from single advertisements to strategic partnerships.
- **NABC Communication Center:** The NABC-CC can help you reach clients and partners in a unique and effective way through strategic press releases in both the Netherlands and across Africa. Thanks to our in-house journalist Arne Doornebal the NABC-CC has built up a strong track-record. See page 17 in this magazine for more information.

Discount on services

NABC Members also receive discounts on the following services: Asoko Insight (Business Intelligence Services) WorldBox (business intelligence worldwide), Jobnet Africa (Human Resources), Africa Business Communities (Online marketing), KIT Intercultural Professionals (research), Zwinkels Tours Cameroon (travel), AfricanWise (business models) and Regina Coeli (language courses).

For these and any other questions you may have about doing business in Africa, or any other services that we may help you with, please do not hesitate to contact us at support@nabc.nl, or give us a call.



- **Market Surveys:** By mobilising our extensive network, NABC is able to conduct extensive Market Surveys within our Dutch or African Network. One example was a recent survey on trade barriers in Africa for the Africa Trade and Investment Board, a Public-Private dialogue body in the Netherlands.
- **Facilitating role in long-term private sector and development programs.** Being at the core of many private sector platforms and roundtables aligns strongly with NABC’s mission and vision. NABC often acts as facilitator or program manager for economic development programs and/or private sector Africa initiatives. Examples are the Dutch Dairy Development Partners, the Oil&Gas Round Table, the Holland-African Poultry Partners and the WOTRO platform.
- **Organising a tailor-made market entry Trade Mission.** Whether you are looking to enter new markets or expand your existing business in a market you already know, our individual trade missions can help you explore and open up new possibilities.

EVENTS

NABC's events present the perfect opportunity to meet with your clients, expand your network, gain knowledge about doing business in Africa and learn about new business opportunities. In 2017 we offer various member events, including:

- New Year's reception at the Heineken Experience, to kick off the new year.
- The Africa Forum at the Wereldmuseum in Rotterdam in March.
- Summer BBQ, to celebrate the beginning of summer.
- Ambassadors Dinner, a highlevel event featuring matchmaking with African Ambassadors and our annual Doing Business in Africa award ceremony at the Rabobank headquarters in December.

Host an ABC: Aside from these flagship events we also host a range of Africa Business Clubs. These are more informal networking events with roughly 50-75 participants. The



hosting party has the opportunity to present their own company and services. Feel free to get in touch with us if you would like to host an upcoming ABC at your own office!

Thematic Events & Workshops:

Additionally, we organise sector and region-specific events. Examples from 2016 were the Morocco Business Event, the Sudan Business Seminar and the Netherlands-Algeria Business Forum.

We can help you organise your event as well!

For more information, contact our Marketing & Events team at events@nabc.nl

Africa Works! is the leading business event in the Netherlands about Doing Business in Africa. NABC has organised three successful Africa Works! Conferences in 2012, 2014 and 2016. Cumulatively, these editions of Africa Works have welcomed more than 1500 participants during a total of 9 conference days, with 60 thematic workshops and over 30 high-level keynote speakers such as Lilliane Ploumen, Minister of Foreign Trade and Development; Klaas Knot, President of Dutch National Bank (DNB); and Amine Bouabid, CEO of the Bank of Africa.

Africa Works!

2012-2014-2016

1500 Informed &

Inspired participants

REGIONAL NETWORK

NABC maintains an active network in most countries in Africa. Our network includes the Dutch embassies in Africa, African embassies in the Benelux, African Governments, and Business Facilitation organisations such as local Chambers of Commerce and Investment Promotion Agencies. We are proud to now take this network to the next level with regional NABC representation offices in key regions. We partner with three local entities: the

GNBCC in Ghana, CAAN in Algeria and the Netherlands Business Hub Nairobi in Kenya. Our regional network also benefits from our cooperation with SANEC, the Southern African Netherlands

Economic Council. The local councils are independent organisations and are able to offer you customised services on market entry, setting-up office and much more.

Our Regional Network:

Ghana | GNBCC | Ghana Netherlands Business and Cultural Council | <http://www.gnbcc.net> or info@gnbcc.net

Algeria | CAAN | Conseil d'Affaires Algéro-Neerlandais | <http://www.caan-dz.nl/en>

Kenya | Netherlands Business Hub Nairobi | www.nlbusinesshub.com



EUROPEAN NETWORK

NABC is a Member of EBCAM, the European Business Council for Africa and the Mediterranean.

Irene Visser, NABC's Managing Director, is a member of EBCAM's Executive Committee. Through its members EBCAM represents some 4,000 European companies with

interests in the African continent, from the Maghreb to South Africa. Through EBCAM, NABC is able to organise pan-European trade missions and events.

Please visit www.ebcam.eu to learn more about the network.



Form International is the winner of the 2016 ‘Doing Business in Africa Award’

The ‘Doing Business in Africa Award 2016’ has been awarded to **Form international**, a sustainable commercial reforestation company. Form international is involved in sustainable reforestation of degraded areas in Ghana and Tanzania.

“I am very pleased with this award and I see it as an encouragement to plant more trees”, exclaimed Paul Hol, executive director of Form international, upon receiving the award from Irene Visser, the managing director of the NABC, during the annual African Ambassadors Dinner on Thursday 15 December 2016, hosted at Rabobank International in Utrecht. “During the COP-21 Climate Summit in Paris in 2015, we committed ourselves to the targets of the African Union to restore 100 million hectares. Reforestation has been identified as one of the most effective tools against climate change”, explained Mr. Hol.

In central Ghana, 20,000 hectares of degraded land is managed sustainably. In less than ten years almost 8,000 hectares have been replanted with teak trees for commercial purposes and indigenous species. Form Ghana Ltd has been FSC-certified since 2010.

Last year, the first commercial thinning was carried out in the oldest part of the plantation, resulting in almost 1,000 m³ of FSC-certified timber. The fact that these trees sequester carbon has resulted in carbon credits, which has been validated and verified under the Verified Carbon Standard (VCS) since 2013.

In Tanzania, Form manages the sisal and forest plantation management company SFI Tanzania Ltd. Trees and sisal plantations cover a total planted area of more than 3,000 ha. On 6,000 ha of degraded and fallow land the company intends to expand sisal plantations, afforestation and restoration of natural forest. Sisal fibre is processed and sold to international and local markets. The company employs more than 1,200 staff and is in the process of acquiring FSC certification.

Paul Hol, executive director of Form international: “Every year, the southern hemisphere loses 15 million hectares of forest, the size of 3,5 times the Netherlands. Reforestation and landscape restoration in Africa has a high priority. A good and sound sustainable business model is crucial to realize the long term impact.

International cooperation on landscape restoration – AFR100

Planting a forest has many advantages, but it is also costly, it takes a long time (15-25 years) and it is not easy to create a broad movement of collaborating organisations to grow new forests at scale. The African Forest Landscape Restoration Initiative (AFR100) has set a target of restoring 100 million hectares (an area the size of Germany and France combined!). To realise this, African leaders see the need for sustainable forestry projects based on a long-term approach and multi-stakeholder benefit. In March 2016 the international conference **Forests for the Future – New Forests for Africa** was held in Ghana. This conference was organised by Forestry Commission Ghana, Form Ghana, Form International, WRI, FMO, Neyenrode Business University and Finnfund. One of the key note speakers was Honourable Mr. Kofi Annan (see www.newforestsforafrica.org).

Form international is proving that reforestation can be done, based on a sustainable business model, from also an economic point of view. “It is just a matter of time to convince investors and (development) banks that reforestation is worth the investment,” concluded Mr. Paul Hol.

More information:

Form international: www.forminternational.nl

Form Ghana: www.formghana.com

SFI Tanzania: www.sfitanzania.com

AFR100: <http://www.wri.org/our-work/project/AFR100/about-afr100>

Un projet à long terme pour le Mali, Niger et Burkina Faso

Depuis 2013, le NABC est très heureux de pouvoir travailler au côté de l'Ambassade du Royaume des Pays-Bas à Bamako afin de renforcer les liens commerciaux et d'investissements entre les organisations néerlandaises et maliennes, nigériennes et burkinabés. Aujourd'hui, un contrat de travail sur plusieurs années a été signé entre le NABC et l'ambassade, ce qui démontre une réelle volonté de la part du gouvernement néerlandais de développer des relations économiques sur le long terme entre les quatre pays.



L'objectif de ce programme pluriannuel est très ambitieux à la fois en terme de commerce et d'investissements mais également en terme de développement des secteurs économiques du Mali, du Niger et du Burkina Faso. C'est un cercle vertueux qui doit émaner des activités mises en place : développer des affaires entre les organisations de ces quatre pays aide les acteurs économiques locaux à se développer, pour ensuite être en mesure d'accroître leurs relations commerciales avec les Pays-Bas. C'est une situation triplement gagnante! Gagnante pour les entreprises des trois pays d'Afrique, gagnante pour les entreprises néerlandaises mais également gagnante pour le développement global de ces pays. Nous pensons chez NABC, que le secteur privé a une place très importante à jouer dans le développement en Afrique et que les organisations néerlandaises doivent être dans ce paysage.

Durant ce programme, différentes activités vont et ont déjà été mises en place. En août 2016, par exemple,

+60

représentants du secteur agroalimentaire d'Afrique de l'Ouest en visite aux Pays-Bas

une délégation de plus de 60 représentants du secteur agroalimentaire des trois pays d'Afrique de l'Ouest, est venue aux Pays-Bas pour 4 jours de visites d'entreprises, de formations et de rencontres d'affaires. Durant les prochaines années, des séminaires et conférences vont être organisés pour favoriser le partage d'information et d'expérience. Par ailleurs, des visites de foires commerciales (comme les Journées Minières et Pétrolières du Mali) ou de forums (comme Africallia à Ouagadougou) seront organisées. Des formations plus personnalisées auprès de certaines entreprises néerlandaises championnes dans leur secteur devraient également voir le jour. Les entreprises africaines seront soutenues dans



le but d'optimiser l'apport des secteurs publics et privés néerlandais.

Ces événements ont différents objectifs : si l'objectif final est de renforcer les liens économiques entre les pays, certaines activités vont avoir pour but de faire la promotion des pays auprès des acteurs néerlandais. Le Mali est déjà assez présent auprès des entreprises néerlandaises que ce soit à travers l'action du gouvernement sur place ou encore dans les médias nationaux. Pour le Burkina Faso et le Niger qui sont moins connus, attirer les acteurs économiques va nécessiter une promotion plus importante auprès de l'audience néerlandaise. Le rôle du NABC est donc de positionner ces pays sur la carte économique néerlandaise en tant que marchés intéressants en termes économiques, mais également de favoriser le transfert de compétences et de connaissances. Les relations doivent être multiples entre les acteurs des quatre pays : se limiter uniquement à des relations commerciales, serait ignorer l'énorme poten-

tiel que le Mali, le Niger et le Burkina Faso ont à offrir si on y apporte une vision à long terme et une réelle volonté de développement économique.

Opportunités

Ces trois pays offrent de nombreuses opportunités pour les acteurs économiques néerlandais. Le secteur agroalimentaire des trois pays est de taille très importante et son développement est soutenu par l'ensemble des acteurs gouvernementaux et internationaux dans le cadre de la lutte contre l'insécurité alimentaire. Les besoins en énergie, en gestion de l'eau et en infrastructures sont énormes : ce sont des secteurs à fort potentiel, où l'expertise néerlandaise est nécessaire et de plus en plus demandée.

Dans les années à venir, des centres de recherches et de développement dans les secteurs de la technologies et des télécommunications, ou de la valorisation des matières premières locales, verront le jour et verront même peut-être, les grandes innovations de demain. ◀

EXPERIENCE OUR BIG FIVE

Are you looking for a logistics partner for the African market? Van den Bosch is widely experienced on the African market and can support you in setting up and optimizing your product flows, both food and chemicals.

Bulk transport

As a worldwide expert in bulk logistics, Van den Bosch supports companies in making the switch to bulk transport. It is the cost saving and sustainable alternative to small packaging. Thanks to our extensive deep sea network, we will offer you a suitable solution for the transport of your liquid raw materials in ISO tanks or flexitanks. This results in optimization of your payload and many advantages in terms of handling, heating and savings in packaging costs.



More information:

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GENTRADE INTERNATIONAL B.V.



*Fruitful markets offer prosperous opportunities
Marchés fructueux offrent occasions prospères*

GenTrade International B.V. ont développé une large gamme de produits alimentaires et non alimentaires, spécialement adaptés aux besoins locaux, où la plupart des articles peuvent également être produits sous une marque privée. Pommes de terre, oignons, carottes, l'ail, lait en poudre, lait liquide, farine, sucre etc.

GenTrade International B.V. have developed a wide range of food and non-food products, specially tailored to local needs, where most items can also be produced under a private label. Potatoes, onions, carrots, garlic, milk powder, UHT milk, wheat flour, sugar ect.



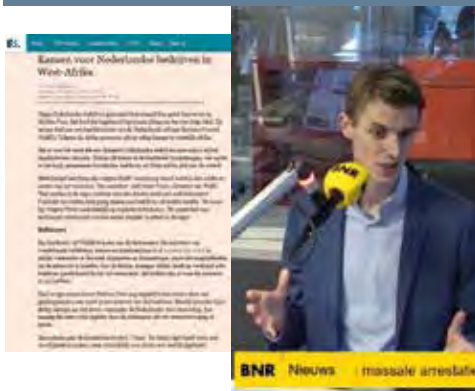
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**NABC drastically
increased its visibility
in the news media
this year. We firmly
believe that news
coverage about Africa
can use some
more optimism.**

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Contact: Arne Doornebal, +316 23220286



NABC was hosted to speak on BNR (Business News Radio) about several activities. This included Africa Works!, the Mali, Niger and Burkina Faso program and the Morocco business event. Het Financieele Dagblad, the Dutch equivalent of the Financial Times, reported about Africa Works! and the outgoing Africallia mission.



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joep.vandenbroek@wur.nl
anitra.vanderkraan@nabc.nl

Trade Mission to Ghana, 12-16 June 2017

NABC organises a GhanaVeg trade mission, combined with the Fruit & Vegetable Fair in Accra on the 14th and 15th of June.

Interested to join or do you want more information?

Please contact Anitra van der Kraan, our Programme Manager Agribusiness at anitra.vanderkraan@nabc.nl



INVESTMENT





Jurgen Rigterink:
**‘Africa is
becoming
increasingly
important
for FMO’**

Jurgen Rigterink took over as CEO of Development Finance Institution FMO in October 2016. The bank invests some 1.5 billion euros per year, and at least one third of that in Africa. Mr. Rigterink spoke to NABC and began by explaining why FMO’s headquarters in The Hague have the Sustainable Development Goals (SDG’s) showcased on its building, attracting the views of thousands of commuters each day.

What direction would you like FMO to take under your leadership?

First of all, it is not only my direction, but that of all our stakeholders. We firmly believe that we should work towards achieving the SDG’s. Therefore, we now showcase them visibly on our building for everyone passing by train to see. We are now contemplating which of the 17 SDG’s we want to focus on first, but obviously reducing poverty will be one of them.

In 2016 FMO set up the Privium Impact Fund together with ABN AMRO. Why is that?

As a bank, we invest roughly €1.5 billion per annum. We do that for our own account, but we also want to increase our impact beyond our own capacities. Next to investing €1.5 billion out of our own balance sheet, we currently also invest one billion per year from third parties. A few years ago, we set up FMO Investment Management for this purpose. We have a proven business model and FMO Investment Management now offers this to institutional investors so they can also benefit from the combination of creating return and impact at the same time. That way, one euro invested in developing countries becomes two euros, or even more.

This year, FMO Investment Management also introduced the FMO Privium Impact Fund, giving retail clients of ABN AMRO - starting with its Private Bank in the Netherlands - the exclusive opportunity to co-invest in FMO's loan portfolio of private sector companies in emerging markets.

How do you convince pension funds to invest in Africa?

That is still a hard sell. Unfortunately, the perception people have about Africa is often negative. So we always have to explain that many risks can be mitigated and that we succeeded in securing a return on investment of 13% in the last couple of years. We do understand that a pension fund will have a problem if it tells its pensioners that by the end of the year their pension allowances will drop by 5 percent, even if their money had a lot of positive impact in Africa. So it is crucial for us that we combine impact with solid financial returns. Only then we can be successful.

How important is renewable energy for FMO?

Energy is crucial for economies to grow. In Africa, the role of Development Finance Institutions (DFIs) in the energy sector is larger than in any other part of the world. Roughly 30 percent of all energy projects in sub-Saharan Africa are financed by DFIs. We have a number of very exciting new projects in the pipeline for next year. These are projects that take many years to develop and materialise. Projects we are particularly proud of include the Lake Turkana Wind project and the floating power plant in Rwanda, which runs on methane gas from Lake Kivu. That project is now generating power, and after our initial investments a number of other banks have stepped in. This is how FMO often works: we provide the initial capital that is seen as high-risk so that 'regular' investments can come in at a later stage.

Does FMO invest in schools and hospitals?

It is certainly not a focus area for us. Although we believe these are very crucial sectors, it is our conviction that this is mostly a task for the public sector. We work almost exclusively with the private sector - with companies. If these companies do well and fund the government by paying taxes, we indirectly contribute to good healthcare and education systems in developing countries.

Which regions in Africa would you like to give more attention?

In the past, we have been most active in sub-Saharan Africa. But we still see certain pockets where we would like to invest more than we do now. These are the countries with whom we have not had many ties with in the past, such as those in Northern Africa and

“ What FMO does is not development aid. We don't give money; we invest and lend money

the formerly French-speaking countries. Given the changing situation, we feel the need to step up there.

How does FMO look at migration from Africa to Europe?

One of our main *raison d'être* is, of course, job creation, which reduces poverty. This is very important. If you don't create jobs for the fast growing population in Africa, it will also have consequences for us here in Western Europe. So we'd better make sure that we play our part in this regard. It is crucial that the people in Africa have a perspective and are able to develop their own economies and improve their lives. We think that the private sector is essential in this process, because companies create jobs. And what FMO does is not development aid. We don't give money; we invest and we lend money. Therefore, a project or investment has to be bankable; we want our money back so we can re-invest it. It is a self-sustaining model.

Which new investments have been done in North-Africa?

I was recently at the COP 22 climate conference in Marrakech, Morocco, with Dutch Minister for Foreign Trade and Development Cooperation, Lilianne Ploumen. There, we signed a €20 million agreement with one of the largest Moroccan banks, the BMCE, for a waste management program. We are very proud of that, because so many things came together. It is a region where we are not traditionally strong, and it is a green investment that supports the SDGs. I wouldn't call it a match made in heaven but it certainly ticked all the boxes.

What was FMO's most important achievement in 2016?

The creation of Arise, a new joint equity investment platform targeting financial institutions in Africa. We have seen Western banks retreating from Africa, including Barclays which had been there for decades. That is why I am proud that FMO, Rabobank and Norfund have joined forces. Arise currently holds over €600 million, and it is our aim to grow to €1 billion. These investments are spread out over more than 10 countries. We are in there for the long term, to really establish inclusive and effective financial systems in Africa. ◀

Laureen Kouassi-Olsson is the regional head of West and Central Africa for Amethis Finance, an investment company based in Paris. Amethis has an investment portfolio of over half a billion US Dollars in Africa. She sat down with NABC to share her insights into life as a young, female investment banker from Africa.

You are a strong advocate for women's rights. What is your vision on the role African women should play in society?

When you look at African cultures, you see that women play a central role in society. They are very active in trade and agriculture and you see them more and more in the services industry. I believe women should be given more support. There should be some kind of ecosystem around African women that stimulates entrepreneurship. Look at microfinance for example. Seventy percent of microfinance clients are female. This shows just how instrumental they can be for the economy and why it is so critical that they are empowered.

Do women have a different approach to banking?

Yes, I think so. When it comes to paying back loans, there is a slight difference. We recently discussed this with a number of banks across Africa and we found that women tend to have higher loan literacy than men.

You joined Lehman Brothers at the age of 23 and worked until they



Laureen Kouassi-Olsson: 'Lehman collapse made me realise I am African'

went bankrupt in September 2008, leading to the worldwide economic downturn.

How do you look back at that?

It was already quite challenging to work at Lehman as a young, African woman. That was not common at all at the time, but I have to admit that it also worked in my favour. There were gender and diversity programs which helped me. Being an ambitious woman in the financial industry is a challenge in itself. We have to fight more, we have to deliver more, and we have to prove that we are not only fit for the job, but that we are smarter, quicker, more efficient and more

proactive than our male colleagues. If you look at the private equity and banking industries in Africa, you see that more and more talented women are rising up the ranks. The same goes for international institutions. However, it is important to continue to invest in the promotion of equality. Personally, I wanted to prove to the continent that as women, we can succeed. It is of the utmost importance that we help ourselves to rise more and more. That is why I am so involved in promoting the role of women on the continent and why I dedicate myself to women's empowerment initiatives.

“ I wanted to prove to the continent that as women we can succeed

What did the collapse of the bank mean to you?

It was an important wake-up call: it made me realise that I am an African. I was working in an environment that was not related to my roots at all. So, I decided to go back to my roots. I wanted to become the link between African entrepreneurs and entrepreneurs in the West.

So you were actually there, the day they collapsed?

Absolutely. I was working for Lehman Brothers in London on that fateful day - 15 September 2008. I remember the Friday before the collapse, when we were sure that we would benefit from a bailout over the weekend, but little could we have known that it was our last day as “Lehmanites”, as we often called ourselves. It was a great family with a singular spirit. Those years taught me a lot and were critical for my future careers. I learnt to be hardworking and was constantly exposed to a culture of excellence and team spirit. But suddenly, on September 16th, thousands of us investment banking professionals were out looking for a job. That's when we realised there was nothing left.

What happened next?

After Lehman Brothers I joined Proparco, the Development Finance Institution, subsidiary of the French Development Agency and investment arm of the French government. In those years, 2008 and 2009, we saw Africa as the upcoming continent. But apart from us, nobody believed in Africa, not even Africans themselves. There was little money available, but it had to be brought in from somewhere. And that was the role of Proparco: to be a catalyst of investments for the continent. So the Development Finance Institution played a central and positive role in helping to uplift the continent.

Because of the financial crisis, the spotlight shifted to Africa. Returns on investment were getting lower all around the world, except in Africa. Unlike the rest of the world, Africa was coming out of long years of crisis, and there was a need for the diversification of its economies. The whole continent was in a state of transition: away from war and conflict towards better agriculture, improvements in governance, and an economy driven by the middle class. So over time, more and more private equity (PE) parties began to discover the African continent.

Has this led to overheating?

Indeed, and this has been one of the risks. A huge amount of equity has started to pour into the continent. Between 2010 and 2016, we're talking about 16.2 billion US Dollars of funds raised by PE firms, according to the African Venture Capital Association. That's a massive amount! Specifically, if you look at the nature of potential investment targets, they are mainly SMEs. But some of them are not structured, some don't even have financial statements. So, all these PE funds have to look for sizeable investment opportunities, and there has thus been a rally amongst them in their efforts to find blue chip companies. What we are currently seeing is a downturn. Some PE funds are starting to back off from Africa again. But we think PE has to be structured differently in Africa than in the West. When investing in Africa, we cannot expect to invest with only a five-year investment horizon. As Africa-dedicated PE investors, we have to structure our activities in the long run as we still believe that African economies have potential.

Let me give an example. Four years ago, we invested in Ghana, and now the country is experiencing a serious downturn with a high inflation rate and a depreciating currency. The country is now under an IMF bailout plan. Naturally, we now have to await for an improvement in the macroeconomic environment before we consider any exit options.

How do you see Africa's development in the coming years?

Only the real Africa-dedicated players will remain - companies that know how to adapt. We won't hide that we still want to make a return and a profit, but the main goal is that our investments contribute towards the growth of the continent.

What sort of returns are you aiming for?

20-22%. When you look at growing African economies, we take the assumption that growth will come back. Most businesses were growing at rates in double figures. The banking sector in Ghana, for example, has been growing at a rate of 20% for the last two years; in Kenya and Nigeria they grew at 15%. So the return we are aiming for is not impossible, provided the macroeconomic situation remains stable.

Your last name sounds just as European as African!

That is true, the name Olsson comes from my Swedish husband, while my country of origin is Ivory Coast. I love being in that position: to promote the African continent with a European angle. I understand both sides. I don't define myself as African, but as Afropolitan. It doesn't matter to me where I am geographically. Nairobi, London, Paris, you name it. We Afropolitans are the best advocates of the continent. The 'Africa Rising' story can only be written if more of us join in. <

How Africa led to the creation of INTL FCStone's global payments division



Imagine a New York-based global financial services organisation, with over five billion dollars on its balance sheet and 1,200 employees around the world. Imagine such an enterprise stating that a section of their company actually has its origins in Africa. Conveniently, there's no need to imagine, because this is a true story. To find out more, NABC spoke to **Stuart Ponder, Senior Vice President for the EMEA** region at the Global Payments Division of INTL FCStone Ltd, a subsidiary of INTL FCStone Inc. (NASDAQ:INTL).

How did Africa inspire INTL FCStone?

INTL FCStone's Global Payments division indeed has its origins in Africa in the 1980s. It all started when two enterprising fund managers working with a US philanthropic body recognized that they were losing significant value while buying local currency for African programmes. They identified local banks that were willing to bid competitively for their clients' dollar flows, and the price discovery mechanism that they subsequently created lies at the heart of INTL FCStone's payments business, which today delivers payments in more than 175 countries. Africa also offers exciting growth opportunities for INTL FCStone's commodities business.

Is there an increasing interest among your clients for doing business in Africa?

Absolutely. We are already seeing a substantial increase in our business in Africa, not only from existing customers, where volumes are up around 35% compared to 2 years ago, but also from a number of 'new economy' players. The types of businesses that have traditionally concentrated only on highly developed markets are realising that there is very serious appetite and opportunity in Africa, where rates of growth can far exceed more mature markets. Our payments growth in Africa is mainly led by these technology-driven companies expanding their client bases and usage. At the same time, the opportunity to bring mobile financial services to a largely unbanked continent is exciting to many and is behind many of the enquiries we field.

How do you assist other companies when entering African markets?

We have over 30 years of experience of transacting in local markets in Africa, handling many billions of dollars of flows on an annual basis and harnessing long-held, strong relationships with multiple banking

partners in most African countries. Not only has INTL FCStone been providing forex payment services to a very large cross section of the Aid and Development community, including multiple UN organisations, for many years, but it is also now relied upon by many of the world's leading banks and corporates as a forex and payments specialist in African markets.

What is the best way to mitigate risks arising from fluctuating currencies?

Organisations are increasingly centralising their treasury functions and funding their local currency obligations on a just-in-time basis. The advantages of this process are numerous: first, by only funding the exact amount required at the exact time needed, organisations can avoid holding unnecessary balances in multiple locations in currencies that may be subject to sharp losses of value that are otherwise difficult to protect against. Secondly, by centralising funding, excess funds can be held in a credit institution with the strongest rating, rather than in a local bank in a market that may be suffering liquidity issues, or where regulations may impede those funds being repatriated if they are suddenly needed elsewhere. Third, by centralising the treasury function, organisations can increase their purchasing power and potentially request rates from multiple providers before

KES



Kenyan Shilling

TZS



Tanzanian Shilling

GHS



Ghanaian Shilling

Top-3 of most stable currencies in Africa in 2016.
(Not including currencies pegged to the Euro)



sending funds to a certain country, rather than being stuck with the 'house bank' in the country to which they are sending funds. This third point, in particular, greatly increases transparency and can be vital in volatile markets to ensure that true value for money is always achieved for cross-border transactions.

Which FinTech solutions do you see as most promising in the global payments/foreign exchange industry?

INTL FCStone's proprietary FXecute global payments technology platform, which provides clients with a comprehensive solution for making payments in more than 175 countries, is a truly innovative solution for all manner of payments and foreign exchange operations. Through FXecute, clients have access to live currency market rates, and can seamlessly execute payments in

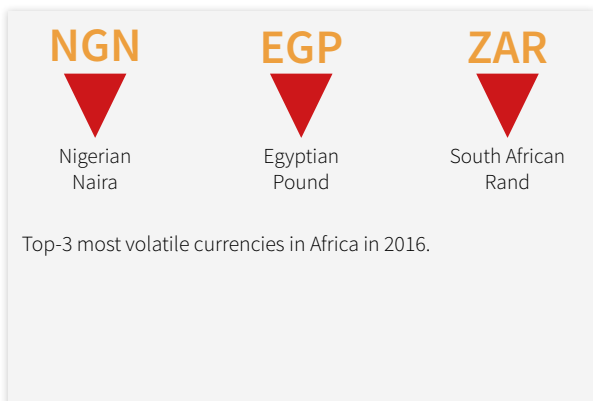
more than 140 currencies, which includes the world's roughly 90 exotic currencies used in the developing world.

What can the world learn from Africa?

Africa has become a world leader in leapfrog technology, which increasingly compensates for its lack of basic infrastructure. Mobile phones address payments, and they are now being adapted to provide low cost diagnostic and healthcare solutions. Drones are used to deliver essential medication in inaccessible locations, and low cost solar and other sustainable power solutions increasingly serve remote villages that lack access to national power grids.

What do you predict for the future of doing business in Africa?

The median age in sub-Saharan Africa is estimated to be 19; it has 50% of the world's remaining uncultivated farmland and agricultural productivity is as low as 20% of western levels. Gold mining is a current source of wealth and Africa ranks first or second in the world reserves of many other key minerals. With so much unutilised resource and capacity on its doorstep the growth potential is unrivalled, and despite many challenges we are optimistic about future business in Africa. ◀



Having obtained his private license, **Tomi Davies** was once primed and ready to fulfil his dream of becoming a pilot. But at the last minute, he chose a different path. Today, Tomi is widely known as a programming genius, a successful entrepreneur, an author and an angel investor who started the **Lagos Angel Network** and recently co-founded the **African Business Angel Network**. During Africa Works, Tomi told us about his fascinating journey and gave us his insights into business on the African continent, and his home country Nigeria in particular.

What fascinated you about technology and what prompted you to pursue that as a career?

Tomi Davies: When I was studying for my commercial pilot's license, I took several university electives about programming. I found these classes fascinating and did very well and I ultimately got a call from my professor, Lionel Howard, who told me about a new world that was coming, one that would be centred on technology. It was an easy sell for me, and shortly after I got a scholarship to the University of Miami to learn about systems and Artificial Intelligence and all sorts of weird and wonderful things. And the rest is history!

You started your career in England at Marks & Spencer. Can you tell us more about this period?

I actually did a mandatory year's Youth Service in Nigeria. My dad passed away so I decided to leave and go to England, where M&S offered me a job as the head of IT research for the IT group. We saw the internet coming, so I decided to run a pilot website and the results were very positive. I finally convinced my boss who then convinced his boss to get me to make a case to the board for selling online. Unfortunately, the board didn't quite get e-commerce at the time. And I remember standing there in front of them thinking: how on earth can you not see this?

After working at Ernst & Young and Altek, you started becoming very involved in Nigeria. What made you come back to your home country?

Nigeria's my heritage. My dad had fought for the country's independence – he was one of the lawyers who helped to write the independence mandate for Nigeria, and



I also had relatives and a whole support system there that I'd left behind. The country was in better shape at the time, so for me it was about looking back and seeing what I could do to help build a better country.

You then started to focus more on entrepreneurship and investment, which some would say is quite a risky road to take. What caused you to take this path?

I didn't, it's something that evolved over time. A friend of mine, with whom I had built the M&S website, called me about an idea his cousin had come up with for a comic as a commercial venture. We got together and ultimately developed a fantasy football league comic that is now distributed in over 30 countries. And that's what started me into Angel investing.

In 2014 you wrote "The African Project Manager." What inspired you to write this book?

My book is essentially a collection of articles I had written coupled with actual life experiences I had had managing projects in Africa. It shares how I really started to come to terms with the concept that Africa

Angel Investor Tomi Davies:

‘Africa is not behind It’s just different’

is not behind, it’s just different. And that’s the real premise of this book – you can get things done on the continent by using the culture and understanding the value systems that the people have.

What’s your advice to Dutch companies in regard to getting around the obstacles of doing business in Nigeria?

Well it’s much like me coming to the Netherlands to do business. The only reason I do business here is because I have partners who know the political and economic environment. I also have a perception of equality in dealing with my friends here. If your approach is based on servitude then you will run into many challenges. Coca cola, Nestlé, Microsoft and Google have all been in Africa, specifically in Nigeria, and are doing exceedingly well.

You’ve described Lagos as ‘a huge entrepreneurial factory’. Where do you think this has come from?

There’s an ecosystem that has grown up in and around Lagos, concerning technology specifically. The ecosystem is vibrant and growing because it’s a perfect storm of academia, tech, large overseas organisations and infrastructure availability coupled with the African entrepreneurial spirit. Add a little bit of cash into that and you will understand why Lagos is a hotbed for entrepreneurship.

What has the surge in mobile phone ownership meant for the Nigerian economy?

It gives it a dynamic that other economies don’t have. It gives fluidity and the ability to directly address problems that are unique to the local environment. And I’m talking about things we take for granted over here: the paucity of infrastructure, an inconsistent electricity supply and an outdated education system. What the mobile has done is put technology, which is in of itself a solutions enabler, into the hands of a creative force. And that is what the resultant effect is that we are seeing right now.

Earlier you said that schools in Nigeria were built by the colonial regime which has created a society of ‘uneducated consumers’. What does that mean for the country going forward?

I am very concerned about our lack of ability to create critical thinkers who can solve problems that we have created and don’t even know exist yet. Our education

system was designed to create a certain kind of people – engineers, surveyors and lawyers who could maintain the system. That’s not what we need any more. 300 million Nigerians will be with us by 2025. We need many of these people to be entrepreneurs who can solve local problems unique to their environment.

About the African Business Angels Network (ABAN) then, what inspired you to start it and what are your goals?

With ABAN, we’re aiming to build on what we’re achieving in Lagos: to facilitate the creation of Angel syndicates and networks across the continent so that Africans can start to build their own continent by investing in local start-ups. We need to educate these investors on the three things angel investors provide:

“Coca cola, Nestlé, Microsoft and Google have all been in Africa, specifically in Nigeria, and are doing exceedingly well

cash, access to their networks, and mentorship and guidance. Currently, there is no other body in Africa that does this.

We’re also aiming to provide thought capital to policy makers to show them that, from a commercial perspective, you can get things done. For the last five years I’ve spoken at the education forum in London about tech enabled learning, and I’m still a board member of Laptops for Learning, a NGO that focuses on putting laptops into the hands of underprivileged Nigerian children.

What’s the biggest challenge you’re facing?

Right now the Nigerian government has bigger fish to fry than working with us. They’re dealing with current challenges; huge shortfalls in oil revenue, cleaning up corruption and dealing with Boko Haram. So what we’re finding now is that we’re getting more from Zambia, Kenya, and most recently, Rwanda. And this is what I meant by thinking about Africa as a whole. We need to stop doing this – we have to start looking at the continent for what it is: a portfolio of 54 very diverse nations. ◀



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Why is it so difficult for African farmers to get access to loans? The study *'Finance for Smallholders'* carried out by NpM, Platform for Inclusive Finance, together with AgriProFocus and funded by the Food & Business Knowledge Platform gives insights. The study provides 15 cases of how Dutch investors have successfully realised access to financial services for smallholder farmers.

NpM

Eight expert meetings were organised in Ethiopia, Rwanda, Burundi, Uganda, Tanzania, Kenya, Benin, Mali, Senegal and Burkina Faso to discuss the research 'Finance for Smallholders: Opportunities for risk management by linking financial institutions and producer organizations.' Josien Sluijs, director of NpM, Platform for Inclusive Finance insists that **"the question is how to reduce the risk of agricultural activities so that financial institutions are prepared to provide loans to farmers."**

2. Mitigating risks

To organise the farmers successfully, a well-designed programme by an independent organisation is essential. This orchestrator identifies the actors that are most important, what roles they should play, and what the financing needs at different stages in the value chain are. Risks are categorised into three areas:

- Those related to specific crops and how they are cultivated;
 - Those related to farmer organizations and marketing and linkages to the market;
 - Those related to viability and financial proposals submitted by entrepreneurs.
- The participants added their own risks for each of these risk drivers, and elaborated on how this influences access to sound financial products.

On 16th February 2017 NpM organises a conference on the subject 'Geodata for inclusive finance and food.' More information can be found on www.inclusivefinanceplatform.nl

Bridging the gap...

This research includes an analysis of 15 successful projects in four countries (Uganda, Ethiopia, Rwanda and Mali), addressing 20 different crops, seven types of producer organizations, seven financing models and 14 financial institutions that serve over 500,000 farmers. The meetings included a broad delegation of farming organizations, microfinance institutions, central banks, national and international development organizations, insurance companies, government officials and consultants, and were aimed at improving financing models for smallholder farmers in various parts of the world. Some of the outcomes were as follows:

1. Organised farmers have better financing opportunities

It is important that farmers organise themselves into formal organisations; this can mitigate risks associated with farming. Linkages to the market are much easier to establish, extension services can be made available through producer organisations, and farmers can increase the quality and quantity of their crops. Financial services should be well-adjusted to the needs of farmers. In the most successful financial structures, the loan is paid back after the harvest.

3. Geodata for financial inclusion and food security

Technology will play a large role in increasing access to financial services. NpM, Rabobank Foundation and the Netherlands Space Office are investigating possibilities to increase access to finance for farmers by using technological applications based on satellite data. New techniques can lead to higher yields and reduced risk profiles for farmers. This information can also be used by financial institutions to lower their monitoring and transaction costs. To implement these technological innovations, it is vital that farmers are organised in formal organisations.

4. Towards green inclusive finance

The experts highlighted three issues that require special attention: the effects of climate change on farmers; the role of women; and the role of youth. The former, for example, has contributed to failed harvests in previous years that have had a disastrous effect on farmers' lives. In all countries, climate change was regarded as a big risk. Farmers need information and guidance through their producer organisation on how to deal with drought resistant inputs, on when to harvest in different seasons and on efficient water management. At the level of farmer households, the farmer representatives in expert meetings indicated that in Uganda, most people cook on charcoal, resulting in rapid deforestation and high CO₂ emissions. Because climate change predominantly affects the poorest of the poor, Dutch investors have committed to invest in solutions such as energy-efficient cooking stoves, solar panels and biogas installations.

Great response to stakeholder meetings

"We are overwhelmed with the response we got from these meetings. In Uganda, a participant from the Ministry of Finance indicated that he wanted to use our research for policy making", said Josien Sluijs. "This is exactly what we meant to achieve. The investors in the Netherlands have committed to their facilitating role in achieving the Sustainable Development Goals (SDGs). In the design of programmes related to the SDGs, such as Food Security (SDG2 zero hunger), it is essential to include the financial sector from the start."



...between banks and farmers

AgriProFocus

Lisette van Benthum, facilitator of the knowledge theme access to finance at AgriProFocus, spoke with NABC about the efforts made by her organisation to bridge the gap between farmers and banks.

“Banks don’t like taking risks”, Ms. Van Benthum explained. “Traditionally, we see that banks and microfinance institutions, which are largely responsible for providing microloans, have a preference for lending money to, for example, shops and petty trade rather than farmers. This is less risky for them because there is always collateral, such as a shop’s stock. Financing agriculture requires a different approach”.

Cooperation needed

Small farmers need to team up, is the advice AgriProFocus would give. “The urgency for small farmers to work together to, for instance, bulk their produce and strengthen their negotiation position on the market, has been known for some time now”, acknowledged Ms. Van Benthum. “But at the same time, when a delivery contract with a buyer or trader is secured, it can also strengthen their negotiation position vis-à-vis banks and Microfinance Institutions” (MFI’s).

She gave a practical example: “Let’s say you are an onion farmer in rural Uganda and want to get a bank loan to buy seeds or fertilizer. The bank may not give it to you because if you do not have collateral or a guarantee that a trader will buy your onions, the bank might not get their money back.” So you’ll need to sign a contract with the trader in advance, which gives the bank some certainty that, through payment of the delivery, the loan will be repaid. In case the trader finds your quantity is too low, you need to cooperate with farmers from your area. If you can sign a contract with the trader as a cooperative, everything becomes more structured and the required financing from the bank is more likely to materialise.”

The long period that elapses between sowing and harvesting is often seen as one of the issues holding back banks from lending to farmers. “Most crops can be harvested once or twice per year, but if you want a loan for the renewal of coffee trees, it will take at least five years before the bank will see some money coming back”, Ms. Van Benthum explained. “Trade contracts can serve as security for banks. We see they are increasingly being used for that purpose, also internationally.”

The Dutch bank Triodos has been working according to this principle through the Triodos Sustainable Trade Fund. When an African pepper farmer organisation makes a deal with a buyer in Europe, the bank can provide a loan to the farmer organisation in Africa if the trade agreement is solid and approved by the bank. Ms. Van Benthum explained that “once the delivery has been completed, the European buyer will pay the farmer’s organisation through their own Triodos bank account. The bank subtracts the loan and the surplus is available for the farmer’s organisation.”

Bringing farmers and bankers together

AgriProFocus operates in 11 African countries, where it has an extensive member base amongst agricultural entrepreneurs. “In all countries we organise so-called ‘Finance Fairs’”, Ms. Van Benthum explained. “This is where we try to bridge the gap, and where we bring bankers and farmers together. Loans can materialise and it is a great place for different sectors to learn from each other.” To ensure good cooperation between the financial sector and organised farmers in Africa, financial institutions need to be exposed to financial business opportunities in agriculture. At the same time, they need to understand the specific agricultural circumstances that require adaptation of their standard financial products. On the other hand, farmers need to become organised, need to understand the requirements of financial institutions and need to improve their financial literacy in order to be able to work with banks and MFI’s in a successful way.

PPPLab investigates:

How to make Public-Private Partnerships work?

How can a successful Public-Private Partnership (PPP) be established? For members of PPPLab, the proposition is simple: follow programs that are still ongoing instead of making analyses afterwards. PPPs can play a major role in development by engaging private sector parties and impact investors. But for this to be successful, nobody should forget one simple rule; as **PPPLab's Sjef Ernes** warns: "It's the business case, stupid!"

Dutch policy concerned with Africa has seen a shift from 'aid' to 'trade' in recent years. PPPLab is a joint cooperation between four NGO's and research institutes, and is focused on expanding upon this new direction. Sjef Ernes is the managing director of Aqua for all, one of the partners of the Lab. "The role of the private sector in development is often underestimated. One common misinterpretation is that profitable business (whether by commercial or social entrepreneurs) is the opposite of development aid. Yet, we are seeing more and more often that companies are choosing to work side by side with governments to achieve development. It is crucial that this is evaluated in a thorough manner," Ernes said.

Ernes' speciality is, as his company name suggests, water. "Globally, supplying drinking water to citizens is and will continue to be a role that must be taken up by governments. They should act primarily as regulators, orchestrators and facilitators, not necessarily as operators. Just as in the energy, housing, food security, climate adaptation and environmental sectors, private companies are equally willing to play their part in the water sector. In order to ensure that

this cooperation be successful, there needs to be trust between the partners. Take for example the traditional hand pump for water. Did you know that over 60% of these hand pumps break down within three years? This is because they are usually distributed through donors by governments so people can get access to facilities that provide cheap, if not free, water. But if everything is for free then there is no money for maintenance, and everything stops when the pump ultimately breaks down after three years."

The defunct water pump has become the main symbol of failing development aid, and, in the words of Ernes, "is the most thoroughly researched topic in the development

sector." So how can PPPs change this once and for all? "If you give a private company a concession for fifteen years in which they are responsible for providing and maintaining the pump, and can sell the water for a small fee per jerry can, a much more durable system can be put in place," Ernes explained.

This model is known as DBOM (Design, Build, Operate, Maintain), contracted in lease-constructions and it is also being used for larger



investments like boreholes. Ernes believes that “it is wrong to think that poor people are not willing to pay a small fee for clean water. They also know what they need to be healthier. And cumulatively, these small fees together can make the difference between a system that breaks down rapidly and one that is sustainable. The only guarantee the government needs to give the water company is that they can operate it for 15 years.”

Inclusive business models

PPPLab not only investigates ongoing projects but also looks at the inclusiveness of their business models. “Companies all around the world use the so-called ‘business model canvas’. It consists of nine questions, the answers of which enable an entrepreneur to have an overview of how their business is performing and developing. If you don’t have sufficient answers to all these questions, your business is likely to fail. This model is also used by social enterprises. But in order to assess inclusive business we have to add four extra questions to the existing nine. For inclusive business it is not only about who the potential customer is and how

the enterprise is going to make a profit. There are other, equally relevant questions that must also be asked. How can the additional beneficiaries be targeted if they are not direct clients? How can the governance of the partnership be organised? How can the ecosystem in which operations are being carried out be improved? And what social impact will be created through the intervention of the PPP that will help to cover the deficit in revenues and costs?”

FDOV and FDW subsidy programs

By providing insights, learning and exchange and in-depth explorations translated in navigation tools and assessment models, PPPLab plays a crucial role for those PPPs funded by the following two Dutch government funds. “The

“ The role of the private sector in development is underestimated, as if profitmaking is the opposite of development aid

‘Fonds Duurzaam Water’ (FDW) is a subsidy available for companies that invest in sustainable water projects in developing countries,” Ernes explained. The other program is called FDOV (Faciliteit Duurzaam Ondernemen en Voedselveiligheid) and it is aimed at investments that can improve food security.

It is possible to apply for both funds through RVO (the Netherlands Enterprise Agency) which can provide between 50% and 70% of the investment costs. PPPs that apply for the grant do need to contribute a substantial part of the investment themselves, ►

Successful Public Private Partnerships

SmarterWASH - Ghana

In Ghana, a PPP known as SmarterWASH has supported the Government to improve on the ICT infrastructure, skills and processes for monitoring rural and small town water services and performance of service providers. WASH stands for Water, Sanitation and Hygiene and the idea is that innovative techniques can greatly improve service delivery. “There was a critical need for local governments to establish a robust monitoring system for tracking rural hand pumps and small towns’ water schemes functionality and service levels to inform timely remedial action,” said Vida Duti, by Skype from Accra. Vida works for Dutch NGO IRC, which oversees the \$3.8 million project of which two-thirds comes from development assistance from the Netherlands. As part of the innovations of the partnership, “an SMS system was developed whereby a broken water pump can be reported by sending a text message. Via the app a nearby mechanic is alerted, so the pump can be fixed within 3 days as stipulated in the standard for rural water service delivery. This is much faster than previously where water systems could be broken down for months compelling communities to return to unhygienic sources for drinking water.” Initially, 64 out of Ghana’s 216 districts were scheduled to take part in SmarterWASH. “Due to the positive results of the program, it has now been extended to 131 districts, which is more than half of the country. Over 20,000 water facilities have been mapped in the process and the data is informing planning, prioritization of investments and remedial actions by local governments. The Ghana Community Water and Sanitation Agency is leading efforts to mobilise government resources for continuous monitoring. This will ensure that government led monitoring and remedial actions that guarantee reliable water services for communities in Ghana will continue after the project funding,” said Duti.



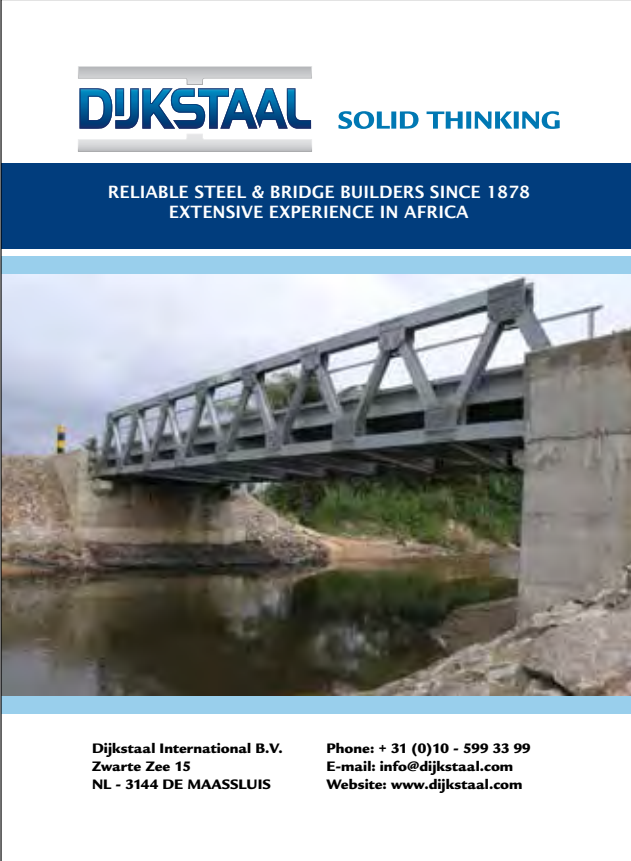
which comes from private sector. “Subsidies can be a very important incentive to develop the business case within the PPP. The only risk that needs to be avoided is when PPP proposals are drafted with the sole purpose of getting a subsidy without actually having a viable business case that is in line with the overall goal to reach out to the bottom of the pyramid-end users. But PPPlab also looks beyond these two PPP instruments, and it does this primarily by interacting with other PPP-knowledge centres abroad. There is still much work to do due to a third opening of proposals for both programs that are either ongoing or scheduled to start in the near future.” ◀

The four organisations involved in PPPlab are the NGO’s Aqua for All and SNV, as well as the academic organisations The Partnerships Resource Center (Erasmus University) and Center for Development Innovation (Wageningen University).

Successful Public Private Partnerships

Sugar make it work - Rwanda

“Rwanda’s sugar production was not sufficient to supply the local market,” explained Nick Barigye of Karisimbi Business Partners by telephone from the Rwandan capital city Kigali. “One of the main challenges we have is a shortage of land. The PPP ‘sugar make it work’ aims to address that.” The program, at a cost of some 10 million US Dollars, is co-financed by the a consortium of private partners led by Kabuye Sugar Works and the Dutch ministry of Foreign Affairs. “There are roughly 10 parties involved, both public and private,” said Barigye. “They cooperate very well and that is why we have achieved most of the objectives. One of them was to reclaim land that was previously not arable because of flooding. With the help of innovative water management techniques we have so far reclaimed 779 hectares while construction works have already commenced to reclaim the remaining 456 hectares thus bringing the total size of land reclaimed to 1,236 hectares, which can now be used for sugarcane growing. Kabuye Sugar Works will own 625 hectares of the reclaimed land while 611 hectares will be owned by growers. We have also managed to increase productivity. In 2011, every hectare of land produced 66 metric tons of sugar. That has now increased to 80 metric tonnes per hectare and we are on track to achieve the project target of 85 metric tonnes by the time it is completed. Rwanda now produces 20,000 metric tonnes of sugar per year, compared to only 12,000 at the beginning of the project,” Barigye said. The project is therefore making a contribution towards the reduction of Rwanda’s import bill.



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An innovative partnership between **Amref Flying Doctors** and **PharmAccess** seems poised to change the healthcare landscape in Kenya. This change goes hand in hand with the mobile technology revolution that is happening in Kenya to directly connect people to healthcare financing, quality and knowledge. The aim is to improve access to better care for at least one million Kenyans.



‘Mobile technology to fundamentally change healthcare in Kenya’

Amref Flying Doctors and PharmAccess have joined forces to initiate a new partnership under the name M-Hakika. M-Hakika marries two existing mobile innovations that each of the organizations have developed and implemented: Leap and M-TIBA. M-TIBA is a health wallet on the mobile telephone that allows patients to send, save and receive funds for healthcare services. M-Hakika connects the wallet to M-Learning courses for doctors and nurses and to a mobile based communication support network of health workers that is facilitated by the mobile training platform Leap. Danny Dubbeldeman of Amref Flying Doctors, Africa’s largest health organization, is very excited about it. “We expect this initiative to radically change healthcare in Kenya because it will turn the system around. Currently it is driven by the clinics and hospitals; the providers of healthcare.”

The integration of these innovations gives power, in the form of information, data and financing, directly to the people. With these things flowing smoothly through a single system, transparency and efficiency will increase. Furthermore, the digital platform ensures that unique and comprehensive data is collected and aggregated. This data can provide useful insights for decision makers.

“If you digitalize health financing and delivery, the liquidity of clinics and ability to invest in quality will increase, and positive change in the healthcare sector in Africa will ensue”, explains Pieter Walhof, director

of PharmAccess, an international organization working with a digital healthcare agenda.

M-Hakika received a €10 million boost from the Dutch Postcode Lottery in early 2016, and will be rolled out in Kenya from 2017.

Two aspects: finance and information

To ensure the system works, these two aspects are essential. The first is financing access to healthcare for vulnerable women in Kenya. Building on the M-Pesa mobile payment system that is used by most of the Kenyan population, the M-TIBA health wallet is added to the sim-card. The credit on the M-TIBA wallet can only be spent on healthcare. People can save for health on M-TIBA, and remit to other people’s wallets. A Nairobi businessman, for example, may use the system to send credit to his mother in his home village. Even remittances from the diaspora or digital health vouchers from donors or governments can be directly put into individual mobile health wallets.

Alice Machichi is senior M-TIBA program manager at PharmAccess Kenya. “About 60% of all Kenyans are excluded from healthcare. Our goal with M-TIBA is to finally reach the unreached - those at the bottom of the pyramid”, she explains. PharmAccess developed M-TIBA in cooperation with Kenya’s leading telco Safaricom and CarePay, a local social enterprise, with the support of the Dutch government. Safaricom also runs the previously mentioned popular M-Pesa



mobile money service. By November 2016, after just a few months on the market in Nairobi, M-TIBA had already attracted 120,000 users and continues to build momentum, giving partners the confidence to begin rolling the system out in other areas of the country. The second important element in the M-Hakika partnership is information, allowing people and health workers to make informed decisions. Leap is Amref's mobile training solution for community health

Training staff

The expertise and skills of staff are the most crucial aspect of healthcare quality. There is, however, a great shortage of training facilities and opportunities to guarantee continuous professional development. Amref Flying Doctors has set up a successful E- and M-Learning program to address and overcome this problem. This program will provide training to health professionals in their work environment and can provide knowledge immediately upon request. Medical staff will also be able to consult a special database with medical information. The effects of the E-Learning program are huge. Waiting times in hospitals have dropped by 50%. Doctors are able to focus on patients more because nurses with their improved skills can now take over certain tasks. A study from 2011 shows that this one aspect of improvement already has led to a more than 23% increase in incorrectly implemented treatments. This learning will be an integral part of M-Hakika.

Financing quality

M-Hakika will work with clinics that adhere to basic quality standards and continuously improve their level of care. This involves the SafeCare stepwise improvement program, as well as loans to invest in quality. The private sector provides over half of all healthcare services in Kenya, including to people on low incomes. Many of these health SMEs have no access to capital. To bridge this gap, PharmAccess initiated the Medical Credit Fund, which works with African banks to facilitate loans to improve healthcare quality. By the end of November 2016, more than 980 loans amounting to over USD 19m have been disbursed, with a 97% average repayment performance.

workers, which was the winner of the PwC Impact Award 2016. So far, 3,000 community health workers, who are crucial for Kenya's health system, have been trained and 20,000 are connected to the platform. Leap will be leveraged with new training content on health savings so that health workers can easily be trained to motivate their communities to save for health care. Mr. Dubbeldeman explained that "under this program, we use mobile technology to train local health volunteers who connect the households to the formal system. They share experiences and learn from each other through a mobile messaging system. We can't wait to see these programs combined with M-TIBA and rolled out across the country."

The Postcode Lottery grant will also be invested to add funds into the wallets of 200,000 women and their families – roughly translating to a million people – and to connect them to a network of Community Health Workers. Mr. Dubbeldeman elaborated that "it will be part of the experiment to find out what kind of package we should provide and under which conditions. We do expect people to make personal contributions as well." The mobile health system will be tested both in the capital city Nairobi as well as in a rural district, in an effort to find out whether the system can work both in remote and urbanized settings.

Healthcare empowerment

"In terms of healthcare," said the Kenyan Ambassador to the Netherlands Rose Makena Muchiri, "this new initiative gives people an identity and the power to make their own health decisions. The opportunity presented by technology is happening now and can help us to reach people who couldn't be reached before."

All solutions have been tested and have passed the 'proof of concept' phase individually. The tools will be linked, as will the databases, allowing for a data driven system to emerge for all players in the healthcare market. Amref and PharmAccess work in close partnership with key players in Kenya's health system such as the National Hospital Insurance Fund, the Kenyan government, training institutes for health workers and private sector players like Safaricom, Philips and the M-Pesa Foundation. <

Johan van de Gronden, CEO of PUM:

‘Aid to trade is working but still needs more reflection’

The new CEO of PUM Netherlands Senior Experts, Johan van de Gronden, took some time to explain why he made the transition to the organisation, or as he put it, “to this pot of honey.”

The former Director of the Dutch branch of the World Wildlife Fund professed that he was attracted by a couple of things. First, he was “astonished by the breadth of expertise” that is spread across 75 sectors in 70 emerging market countries. The knowledge shared by their 3,000 volunteers helps upwards of 34,000 SMEs to reach peak functioning levels. “It came across to me as very cost efficient,” he said. “It was an ingenious formula, pairing pro-bono experts with SMEs in need of sector-specific guidance.”

Johan van de Gronden, CEO of PUM



“if PUM hadn’t been founded in 1978, we would be scrambling to conceive it in 2017”

Mr. van de Gronden conceded that “entrepreneurship is essential, and a very important tool for human well-being.” In the context of international development, he values “smaller interventions that are more practical and hands-on, [with a] humane scope that encourages personal contact and the transfer of personal knowledge.”

Avoiding aid dependency

In respect to this, Mr. van de Gronden asserted that it was important to acknowledge the primary challenge faced by international aid work: avoiding aid dependency. PUM works hard to avoid this unwarranted reliance by providing SMEs with freedom of choice. As the saying goes: give a hungry man a fish and he can eat for a day, but teach a man how to fish and he can feed himself.

To put this into perspective, he provided two concrete success stories of PUM missions in Africa. The first story takes place in Kenya where PUM is a member of a consortium led by Farm Africa. “The four-year program works to double the country’s consumption of fish by developing the sustainable aquaculture industry,” he explained. “It aims to establish a solid foundation for a competitive fish farming industry (mainly tilapia and catfish) by providing sector-specific knowledge to thousands of small, medium and large-scale farmers, commercial marketing companies and feed manufacturers participating in the Kenya Market-led Aquaculture Programme.”

The second success story occurs in Sierra Leone, a country where it is particularly difficult for SMEs to access capital. PUM partners with the West African Venture Fund (established by the International Finance Corporation), to



PUM Senior
Expert Jan
Koeman

enhance the business performance of their investees such as Morvigor, a company that produces nutritious tea from the leaves of the Moringa plant. PUM's volunteers advised and trained Moryigor staff on how to improve tea production processes and reduce water usage, thereby helping them to adhere to the international eco-certification system.

Shift from aid to trade

These cases could be categorized as Aid for Trade (AfT), which according to the European Commission is assistance provided to support partner countries' efforts to develop and expand their trade as leverage for growth and poverty reduction. When asked about his personal stance on AfT, Mr. van de Gronden clarified that at this point it was a "mental marriage", but in practice and policy "its complexity is being grossly underestimated... it requires more reflection and better thought." Many people "used to be outspoken about aid-to-trade being self-interest on the one hand and altruism on the other," a conjecture that is far too simplified. That said, he agrees that "on an active level, AfT works at PUM. It simply does lead to more trade for the Netherlands and international relationships are further developed. In this way, PUM is a very soft form of foreign policy." As it is clear that PUM is active in emerging markets around the world, it should be

emphasised that a large portion (40%) of PUM's portfolio is within Africa. Mr. van de Gronden observed that "our work in the field becomes most effective when the SMEs are beginning to thrive. Our services become more relevant in the middle-income countries," he said, "like Kenya, Rwanda, Nigeria, Ghana and South Africa." It is apparent that PUM oscillates easily between regions and sectors. However, it may be more effective for the organisation to spread its resources less thinly in the future. Mr. van de Gronden expressed his desire for PUM to "play a more prominent role in fewer topics. At the moment, we have a broad range of services, which is good. But we should ask ourselves if this is really ideal."

Thirty-eight years in business

In his vision as CEO, the best scenario is to develop strategies that target measurable outcomes and achieve specific goals. "Perhaps if we funnel funds towards fewer objectives, and collaborate with more institutions, the impact will be higher." One thing is certain: nearly 38 years after its inception, the PUM operational model continues to be uniquely effective in the world of international development. He exclaimed that "if it hadn't been founded in 1978, we would be scrambling to conceive PUM in 2017." ◀

Measuring the impact of **impact investing**

As the popularity of impact investing is on the rise, one can start to wonder what the exact definition of impact is, how it can most effectively be achieved and how it can be measured. This is exactly what **KIT**, a knowledge institute with over 100 years of experience in this field specialises in.

Impact investment, green investment, inclusive investment. These are all different names for the same phenomenon: investments in upcoming countries that both promise a good return on investment and aspire to make a positive impact on societies. “The big question is: what exactly is impact and how do you measure it?” Jesse d’Anjou, an advisor at KIT, asked during an interview at the century-old KIT building in Amsterdam, the same venue where Africa Works! was held in November.

Bart de Steenhuijsen Piters, Head of the Sustainable Economic Development and Gender Unit, continued: “Investors often say they want to achieve social impact. But if they are serious about making social impact, next to their financial returns, and want to be more credible about the impact achieved, it needs to be measured properly. That is where we come in.”

Mr. De Steenhuijsen Piters gives an example. “Creating jobs, is that impact? Not automatically. In most cases it is a direct output. We don’t know if the person employed would not have found a job elsewhere if the investor had not started a project there. We also don’t know if the salary this person receives is enough to make a meaningful living. We don’t know if the company is actually creating more options for him or her. Therefore, saying that every job created can

be counted as impact is simply wrong. It may or it may not be the case.”

Welcome to the world of measuring impact. A growing world, according to KIT. “As the phenomenon is picking up speed, we notice there is a growing demand from the financial sector for our advisory services. We bring expertise from the ground, on the local context and markets, and we can therefore advise on investments in an early stage, Mr. De Steenhuijsen Piters said. He recalled one investment plan in particular. “An investor wanted to plant Eucalyptus trees in northern Kenya and we were shown pictures of what they said was the project, but I immediately recognized the images were taken in a different country! Actually, Eucalyptus has a very negative effect on surrounding crops, because it drains all the water and nutrients from the ground. We mapped the opportunities and risks, and advised against this investment, after which it was indeed cancelled.”

Preventing land conflicts

“The fact that we are independent allows us to speak with a high level of objectivity and credibility, as compared to self-assessments often done by investors in this field. We are well recognized and regarded in the countries where we work, and we are possibly even more known over there than in The Netherlands,” according to Mr. d’Anjou.

For instance, infrastructural projects in populated areas around the world have one thing in common: there is always the possibility of misunderstandings with the neighbors. “It is extremely important to conduct a thorough assessment of the needs and possible grievances of surrounding communities,” explained Mr. De Steenhuijsen Piters. “If we are asked to do research into an

“ **Creating jobs, is that impact? Not automatically. In most cases it is a direct output**

investment plan, we will make sure we talk to all people involved, especially the local communities. Once their needs are assessed, often a way forward can be worked out with them. “Most of the time it is about exclusion. Even if a company employs 1,000 people, there are still thousands more who may feel excluded. We can advise a company on what to focus on, for example on which communities need to be involved in the process. This can prevent problems in the future.”

Benefits in the long term

KIT has worked and partnered with the Bill and Melinda Gates Foundation, Common Fund for Commodities, the Dutch Ministry for Foreign Affairs, the Gatsby Foundation and FMO, to mention a few. Mr. De Steenhuijsen Piters noted that “A company may have various reasons why they want to enhance their social impact, ranging from securing long-term procurement to responding to customer concerns. If a company pays workers below ‘living wage’ this may understandably undermine their job motivation. The company can be very convinced that is the right thing to do, but it may also be a very practical motive. If you pay your workers such a low salary that despite their job they still live below the poverty line, you may see them turning up angry at your gate at some point. If you can’t pay enough to



Photo's: Audet Belanger, Genevieve/KIT

keep people out of poverty, you must question the long-term feasibility of your business.”

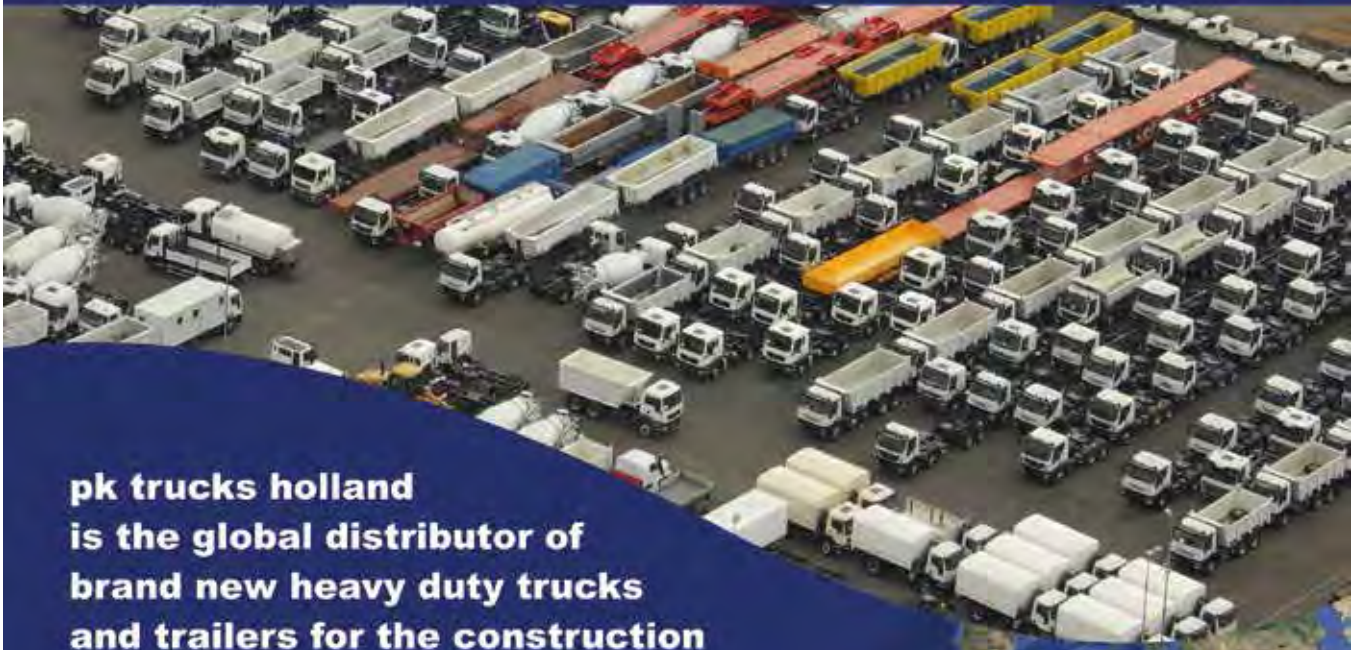
KIT utilises a variety of tools and methods. “Ideally you would conduct a baseline survey, and then conduct follow-up research at a later point in time, in combination with a proper counterfactual, for a thorough evaluation. However, it depends on the client, the objectives, the context, the resources, and the level of rigor demanded how we design an impact assessment” the duo explained. “This week we will start the baseline research for a food fortification factory in Rwanda, set up by a number of investors, including FMO and DSM. We have been asked to evaluate the project, among other things analyzing the effects of the factory on local employees and smallholder farmers in the long run.”

Jesse d'Anjou: “Apart from the advice and evaluation services we offer, we often help clients to develop their own system of indicators and methodology, to allow them to streamline their self-assessments.” But at the end of the day, involving an independent third party adds weight to the credibility of the acclaimed impact of an investment. ◀



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SNV gives financial and technical support to inclusive and innovative companies

Dutch NGO SNV is managing the ‘Innovations Against Poverty’ Fund from 2016 to 2020. Entrepreneurs in Uganda, Ethiopia and Zambia can apply for grants in case they have a promising and inclusive business model, but lack funds to start the business.

SNV, one of the most experienced and well-known non-governmental organisations in the Netherlands, is very excited about this program, which is in cooperation with the Swedish International Development Cooperation Agency, Sida. Javier Ayala, the energetic, Cambodia-based fund manager sat down with NABC during a brief visit to The Hague to discuss his hopes and expectations for the program. “The companies we want to invest in should have innovative business ideas with a strong focus on social impact,” Ayala emphasized. “But at the same time, they should also be fully commercial and highly profitable so that these solutions are sustainable in the long run.”

SNV is aware of the risks involved with innovative inclusive business initiatives. “This is indeed unknown territory for the entrepreneurs. But that is why we are a challenge fund; so that we share the risks embedded in these initiatives by providing a mix of financial and

technical support. Companies we support should focus on one of the four target sectors: Agribusiness & Food, Energy, ICT or WASH.” The latter stands for water, sanitation and health.

When asked why SNV has decided to become a bank, Ayala laughed. “No, we are not becoming a bank. We are still a NGO and we still have the same goals we want to accomplish. However, we see that the private sector can be a vehicle to reach our goals. Therefore, we believe in market-based solutions as an effective approach to development.”

Cooperation with Financial Access

Innovations Against Poverty (IAP) is not the first funding mechanism SNV operates. SNV is also involved in a program called hortIMPACT which co-invests in business plans of Dutch and local enterprises that strengthen the horticulture sector in Kenya. For programs like this, SNV usually cooperates with companies that have a lot of experience in the finance sector. In East-Africa, SNV has teamed up with Financial Access, a specialist in financing businesses in Africa and Asia.

“ I think it is good to support the ‘first movers’ in certain fields

Difficulties with financing innovations are a worldwide phenomenon, according to Jan Cherim, Managing Partner of Financial Access. “If you enter a bank with a wild idea and a business plan, chances are high that you won’t find the loan you are looking for. Innovative plans have always struggled to secure loans because traditional banks simply find the risks of start-ups or untied approaches too high. That is where Venture Capital (high-





CALL

The first call for concept notes for Innovations Against Poverty is expected in February, during a 4-month window. Funds vary between €50,000 and €200,000, where at least 50% of the investment should come from the private sector.

risk capital) comes in. So programmes like IAP are very important as an enabler for innovative businesses,” he said.

SNV and Financial Access cooperate in Uganda, having previously joined forces during a program in Indonesia. “For us, this is a fruitful cooperation. SNV, as a NGO, helps co-operatives and small farmers to improve their organisation and farming practices. Professionalising their approaches makes it easier for us to finance them. This cooperation makes both of us stronger,” Cherim said.

Previous investments

The Innovations Against Poverty (IAP) program has been operational since 2010, but was previously managed

Horticulture in Kenya

hortIMPACT (2015-2019) is still open to Dutch companies interested in entering or expanding their activities in the horticulture sector in Kenya (see also www.snv.org/project/hortimpact or write to Horticulture Coordinator SNV rvankeulen@snvworld.org).



by a private company. Innovative enterprises like a food company in Madagascar, a water bottle project in Tanzania, a mushroom farm in Uganda, and an edible insects breeding industry in Kenya have been financed. SNV’s Javier Ayala has gained quite some experience dealing with experimental inclusive business initiatives in several markets. “We managed to support a company to start producing LED-lights that were affordable enough for low income customers; nowadays they serve millions of low income people with these products” Ayala said. “I am convinced that this would not have happened without the initial investment we supported them with.” The new IAP program will run in four countries: Uganda, Ethiopia, Zambia, and Cambodia. That is what it is all about, Ayala stresses. “Certain innovations would also have come up without our help. However, I think it is good to support the ‘first movers’ in certain fields. Otherwise these innovations would come to the market much later. Or, for example, it would only be targeting the high-end users, leaving the poor behind. It is all about the business and social impact, after all.”

CFC adds value in local commodity chains

From their headquarters in Amsterdam, the **Common Fund for Commodities** has been financing entrepreneurs involved in commodity trading since 1989, operating under the United Nations framework. Their COO, **Axel Gruber**, sat down with NABC to discuss the fund's main goal: improving the livelihoods of farmers.

How does CFC work?

CFC provides finance to the agricultural sector in developing countries. We provide this to small and medium enterprises and to other institutions, especially those directly involved in farming, trading or processing. In this segment, we are one of only a handful of entities that do this. When we finance an enterprise we are convinced that this investment has a direct impact on the livelihoods of poor people who are to be found everywhere in agricultural value chains. We provide our investees with the means and technology to increase their yields and reduce their post-harvest losses. In turn, they create employment, enhance income and provide smallholder farmers with market access.

Which countries in Africa do you focus on?

CFC finances interventions in all its 102 member countries. Apart from a few exceptions, notably South Africa, most African countries are CFC members.

Which commodities have a promising future?

Intervention of the CFC is demand driven. Therefore, we do not give special weightage to any of the preferred commodities. However, in recent years we have seen that some, formerly less known crops such as the potato are experiencing rapid growth. This is a crop that has high potential yields per hectare, is storable and can

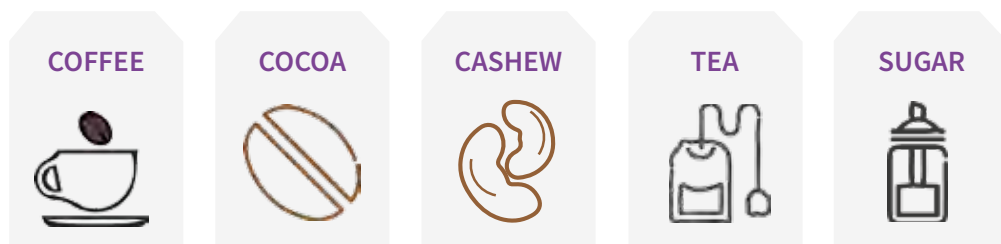
therefore be readily sold or used for consumption. Another trend we have noted is the development of honey with the integration of thousands of smallholder producers.

Should Africa diversify beyond crops like coffee and tea?

We believe that it is not so much the commodity that makes the difference for development and wealth creation. Rather, it is the degree of value addition that can be captured in the country of origin and ways that allow for de-commodification, which means that commodities are being processed or produced for specific markets and demands. Today, for example, cocoa is mainly being produced and processed in West Africa, which was unheard of 15 years ago. Also, breweries require special varieties of sorghum and are prepared to enter into advance contracts and pay higher than the commodity price to local farmers. Similarly, traceable coffee with certain quality traits and taste from regularly audited cooperatives is no longer a commodity, it is a specialty product.

Which investments have proven very successful for CFC?

One project financed by CFC is aimed at producing artemisinin, which is an ingredient in medication used





for the prevention and treatment of malaria. Artemisia is typically grown by smallholder farmers. Due to specific growing and harvesting conditions, it can be cultivated in the low season as a counter-crop for rice farmers. The part of this project based in Madagascar maintains nurseries for the artemisinin plant to provide the farmers with high quality seedlings and supports them by teaching them how to raise these plants. For the farmers, this crop is an important enhancement of their income per hectare. About 12,000 farmers are supplying the output to the project and derive about 25% of their annual cash revenue from this.

Another relevant project is a maize processor and trader in Uganda who set up an out grower scheme by establishing a permanent village collection centre network, where smallholder farmers, even those in remote areas, can deliver the same in small quantities of maize. The farmers are paid for quality according to a transparent system, and are thereby incentivized to increase maize production and quality. This system provides some 40,000 farmers with a reliable and transparent market for quality maize. As a follow up, the CFC is currently identifying the same for financial support of the company to establish a nucleus farm that will allow it to apply modern farming technologies to secure a reliable core supply of maize for storage, processing and trading.

When does CFC welcome new bids and what are the specifications?

CFC has two calls for proposals per year asking for proposals to be presented in a formalised way to the CFC. Specification can be found on the leaflet included and on the CFC website.

What is, in your view, the most important change that Africa needs?

From our perspective, Africa needs value addition in its local commodity chains. This requires dynamic entrepreneurs who have the understanding, capacity and courage to take the risk to develop a business in a challenging environment. Governments need to enable these businesses to thrive. Farmers should adopt entrepreneurial thinking and be given access to modern production methods and inputs.

What are the priorities for the CFC in 2017?

CFC constantly seeks to improve its access to interesting, scalable projects with a high potential to improve the lives of the rural farming and non-farming communities dedicated to the commodity sector. ◀

OILSEEDS



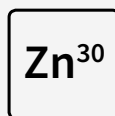
SOYA



BANANA



ZINK



RICE



GRAINS





Dutch business in Africa

Dutch Good Growth Fund

Do you own, work at or know of a Dutch-registered company with plans to start a business in an emerging market or developing country in Africa? Are banks or co-financiers reluctant to provide (full) financing? The **Dutch Good Growth Fund** (DGGF) can support small to medium-sized Dutch businesses (SMEs), and can also help local SMEs through investment funds.

By providing finance and insurance through the DGGF-programme, the Dutch Ministry of Foreign Affairs can create the required conditions for development-related trade and investment in 73 countries. The DGGF consists of three tracks: Investment for Dutch SMEs, Investment funds for local SMEs, and Exporting for Dutch SMEs.

Bridging the SME financing gap

Business is booming across Africa and this offers many opportunities. Nevertheless, a lot of companies face challenges in securing their financing. The Dutch Ministry of Foreign Affairs recognises that a lack of finance can often result in missed opportunities for economic growth, from both the perspective of the entrepreneurs as well as the countries concerned. To bridge this gap, the DGGF was established in July 2014 to provide customised financial assistance. Such assistance is not in the form of grants, but rather financing with a repayment obligation such as a loan or

Investment funds for local SMEs

To increase local SMEs' access to finance, the DGGF's Investment funds for local SMEs invest in financial institutions that are catalysts for local economic growth. In turn, these funds invest in local SMEs with special attention given to young or female entrepreneurs and entrepreneurs in fragile states. The Seed Capital and Business Development facility complements the investment portfolio through the support of early stage financing initiatives. A consortium of Triple Jump and PwC is responsible for the management of this part of the DGGF.

equity investment in projects, as well as a complement to private investments.

Which Dutch companies are eligible for DGGF financing?

Successful Dutch SMEs established in the Netherlands can apply for DGGF financing. A key requirement is a project plan, idea or transaction that is aligned with the goals and conditions of the DGGF. Businesses must have a strong business case that also offers local benefits in a DGGF country, and must comply with international corporate social responsibility (CSR) guidelines.

Investment for Dutch SMEs

The Netherlands Enterprise Agency (RVO in Dutch) executes this part of the DGGF, with a total budget of EUR 180 million. Commercially valid projects that are unable to obtain regular financing can apply for financing of up to EUR 10 million.

Exporting for Dutch SMEs

On behalf of the Dutch government, Atradius Dutch Business Estate supports the export market. It focuses on covering the financial and political risks of Dutch exporters so they can make appealing supply and financing offers to businesses and organizations in DGGF countries. Atradius Dutch Business Estate can also offer financing itself for certain transactions. Businesses can insure transactions worth up to EUR 15 million to cover the manufacturing and payment risks when exporting capital goods.

More information

If you wish to apply for DGGF financing, you need to fill out a form called quick scan on the DGGF website via english.dggf.nl. You can consult this website for more information about the DGGF requirements and countries, or you can watch videos about The Blue Link B.V. and Soko.

If you have any further questions, you can also contact the DGGF helpdesk via tel. +31 (0)88 042 42 42.



Investing in the Kenyan dairy sector

Blue Link B.V. invested in the firm 'Bio Products Kenya' with support from the DGGF and a loan from Rabobank. DGGF boosted the Kenyan dairy sector, not only helping Dutch entrepreneurs but also local employees and business partners, farmers and their families. As a result of this partnership, the quality of dairy products in Kenya has substantially improved.



Success Stories

Novastar investing in Soko

With DGGF's investment, Novastar has in turn invested in the start-up company Soko in Nairobi, Kenya. Soko was set up to support artisans in the developing world by increasing their income and improving their access to markets. It has led to innovation in the supply chain concerning the delivery of orders to craftsmen for jewellery-making, such as the use of mobile telephones as a business tool. This facilitates the work of the craftsmen, allowing them to take their business to the next level. Currently, Soko is working with almost 1,000 craftsmen.



Pas Reform: exporting capital goods

The Dutch company 'Pas Reform' constructs and exports hatching poultry machines. This helps to meet the increasing demand worldwide for chicken, especially among the middle class in developing countries. DGGF focuses on developing countries and provides export credit insurance and export financing options. Therefore, the exporter faces less payment risks and can offer longer payment terms to the buyer.

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BANKING



‘Equal partnerships are

A small start-up, but with large ambitions.

Simbuka has been in existence for just five years, but they have already become an important player in the field of credit scoring.



Simbuka is based in the Netherlands, where the company builds software for financial institutions in developing countries which helps them to better streamline their loan process and reduce their number of bad loans. The company employs nine people and is currently active in three countries in East Africa.

Mark van der Zanden is one of the founding partners of Simbuka. From Dar Es Salaam, Tanzania, he explained why he chose East-Africa to start his business. “Our first assignment in Africa also became our launching customer. In 2011 we developed a risk assessment system for a local bank in Rwanda, which we carried out in cooperation with Rabobank. This is why we are called Simbuka, which means ‘a big leap forward’ in Kinyarwanda. The challenge was to design a risk model for small farmers with only very limited data available. By understanding local customs, cooperating with local experts, and using objective risk drivers, we managed to reduce the risk on bad loans by 27%. Nowadays, much more data is available from internal

and external sources which has helped to improve our risk models even more.”

Likelihood of repaying loans

Age, gender, marital status and whether the person pays his or her utility bills in time are all factors that are taken into account when assessing an individual's creditworthiness. Much of this information is available through mobile phones. Mr. Van der Zanden alleged that “a person who is not married and does not have children, for example, is more likely to not pay back a loan and to ‘disappear’ than somebody who is expected at the school yard every day. Those factors are taken into account.” While Simbuka is the new kid on the block, their partner Rabobank

the key to success'



was founded 115 years ago as a cooperative bank for farmers in the Netherlands who didn't have access to financial services. Currently, Rabobank is quite active in Africa, having minority stakes in a number of local banks like Dfcu Bank in Uganda, Banque Populaire in Rwanda and NMB Bank in Tanzania. Tom Gruintjes is senior project manager at Rabo Development. "Credit scoring is an important issue for the banks in Africa we work with," Gruintjes explained. "When we heard about Simbuka's solutions for this, we became very enthusiastic about it. We then recommended their services to BPR in Rwanda and that is how our cooperation started." Gruintjes stressed that Rabobank does not want the local banks to become too

“ a person who is not married is more likely to not pay back a loan and to 'disappear' than somebody who is expected at the school yard every day

dependent on Rabobank, stating that "we do prefer it if these services are carried out by third parties." Simbuka's Mr. Van der Zanden sees a lot of potential in East-Africa and maintains that he is pleased to have expanded to Tanzania. "Tanzania is a politically stable country with high growth rates and a young

population. Of course there are challenges in this country, but there are also a lot of opportunities here for innovative companies, especially in the fin-tech area. For example, according to the IMF mobile money transactions in Tanzania have doubled in the last three years. Furthermore, 30% of adults now have mobile money accounts. This trend opens up a lot of opportunities for companies like Simbuka."

Appreciating local input

Mr. Van der Zanden is a young entrepreneur, but has much experience in Africa already. When asked what his advice was for new companies aiming to start operations in Africa, he said: "our lessons learned are that bringing your western approach and solutions to projects in Africa is not the most effective way to do business here: it is very important to appreciate local input. In our experience, the only key to success is combining local input with our expertise on an equal partnership basis."

Mr. Van der Zanden gave a very practical example of this: "When we write software, we usually do that based on our own assumptions. But here, things are quite different. If you have a user option allowing a man to enter the name of his wife, you have to realise that in Tanzania people can sometimes have more than one spouse. So the app should therefore have extra fields to cater for that. It's essential to take a close look at local circumstances and then adapt to them." He finished by touching on Simbuka's ambitious plans to expand to other parts of Africa: "we would like to expand to Ghana or Nigeria, but we haven't ruled out venturing into Southern Africa as well." ◀

‘Inclusive banking can be very profitable’

It wasn't easy to get hold of **Edward Effah** during the Africa Works! conference at the Amsterdam Royal Tropical Institute. Not only did the founder and *CEO of Ghana's Fidelity Bank* take part in three different workshops and panel discussions, he also made use of every available moment in between sessions to network with other conference guests. After he had given his final presentation on the second conference day and exchanged a couple more business cards, Mr. Effah was finally able to sit down with NABC.

You won the Ghanaian Banking Award 2016 for Corporate Social Responsibility (CSR). Why was the prize awarded to Fidelity?

When we created Fidelity Bank, our core purpose was to contribute towards socio-economic development, so CSR has been very important in everything we do. While we have to think about profitability and growth just as any other bank, we try to accomplish these goals by making sure that we are also relevant in touching peoples' lives and positively impacting the economy of Ghana. We are the only bank in Ghana involved with inclusive banking: in every community we operate in we try to identify a major social need and help to tackle it. Such needs could be anything from water shortages and sanitation to personal hygiene, education and healthcare.

Two years ago, Fidelity was the first Ghanaian bank to start with inclusive banking. No others have

followed suit. Why is that?

Inclusive banking is not profitable in the short term. So I think many banks are put off by it when thinking about short term gains. In the long term, however, it can become very profitable. Because if, for example, we are able to bring five million Ghanaians from the informal sector into the formal banking sector, and we improve their livelihoods, over time they will start making payments, will receive remittances, and will all have deposits. And we'll be able to lend them money.

How do you convince 'unbanked' people to open up accounts?

There really are a lot of advantages of having a bank account. Apart from just having somewhere to store their money, it enables them to provide a track record of their transactions. And on the basis of that track record it becomes possible for them to be lent money. If you keep your money under your

pillow it can be stolen or lost, and nobody knows what you're doing. Nobody can know your turnover if you are buying and selling food, for example. If you have a bank account and you bank your money, your bank can track that you're selling, for example, \$10 worth of food per day. And on that basis, the bank might be willing to lend you \$100 because they know your turnover. That's why I think banking is so important. In addition to protecting people from theft and being able to store value, it also enables people who are banking to get access to finance.

Mobile Money was launched in Kenya a decade ago, but in West-Africa the number of users is not growing as explosively as expected. Why is that?

I think the Kenyan success story was quite unique and peculiar. At the time M-PESA took off, you had Safaricom, the telco



“ we try to accomplish these goals by making sure that we are also relevant in touching lives and positively impacting the economy of Ghana

in Fidelity Discount House, the first company I set up. Our partnership meant coming to The Hague for meetings, meeting other FMO partners, meeting with the Dutch Embassy in Ghana, etcetera. So FMO has really brought us into the network of Dutch contacts, and that has been very helpful. We have hosted many Dutch investors in Ghana, have worked with many Dutch entrepreneurs doing business there, and have also worked with SNV and the Dutch government.

Did you meet potential partners during the Africa Works! conference?

Yes! I've met people from Rabobank that I am looking to keep in contact with, and people from VCAfrica. It is very interesting what they are doing in terms of having a platform and connecting people. I've also met with Tomi Davies from the Lagos Angel Investor Network and I am very interested in what he is doing in terms of supporting local entrepreneurs and helping to move them to the next level. So lots of interesting things are coming up! I think banking is very important. In addition to protecting people from theft and being able to store value, it also enables people who are banking to access finance. While we have to think about profitability and growth just as any other bank, we try to accomplish these goals by making sure that we are also relevant in touching lives and positively impacting the economy of Ghana. ◀

[telecommunications company, ed.], which more or less had a monopoly. Safaricom drove mobile money, M-PESA, and all the banks road on it before other Telco's, who came on board far too late. I also think Kenya had a favourable regulatory environment regarding what you could and couldn't do as a telco. So these are the two factors that made it uniquely different from any other African market. In most other African markets you have several telco's, and when you have several telco's – in Ghana we have at least five – each telco is driving its own mobile money and there is slow interoperability between their mobile money currencies. What that means is that people prefer cash. If I have MTN mobile money I could end up going somewhere where

they only take Vodafone Mobile Money or Tigo Cash, but because I am sure that cash will always work, I take cash. If you went somewhere and you are not sure whether your visa card would work, you'd go with cash because you do not want to be stuck in a taxi to then hear that they don't take visa.

During your keynote speech you emphasized the importance of partnerships. Can you describe your relationship with partners from The Netherlands?

When I was setting up Fidelity in 1998 I met Ben Zwinkels, the current chairman of NABC and a then very influential figure at the Dutch development bank, FMO. I did a presentation for them and eventually FMO took a 10% stake

the prospects for **Micro-Leasing** in Africa

The origin of the concept 'micro-leasing' can be traced to the Grameen Bank's microfinance experiment in Bangladesh.

This project commenced in 1976 when Professor Muhammad Yunus, then at the University of Chittagong, launched a research project aimed at investigating how best to design a credit delivery system capable of effectively providing finance to the rural populace in Bangladesh. Based on the outcome of the research, the Bangladesh Government established the Grameen Bank in 1983. The name of the bank was derived from the Bengali word gram, which means rural or village.

The Grameen Bank experiment rapidly became a success story and gained global fame and acclaim as a viable model for advancing credit to the poor all over the world. In 1992 the bank commenced a leasing programme when it began leasing power looms to weavers in some parts of Bangladesh. This rapidly expanded to other assets including animals. Since then, the concept of micro-leasing has gained confidence in almost all the continents of the world.

Threshold of 50,000

Although the term micro-leasing is now extensively used, its operational definition and boundaries remain unclear. The futility of having a global definition for the concept is perhaps best brought out by the bold but flawed attempt by Mr Bill Dost, the Managing Director of D&D Leasing UK Limited to define it. According to him, micro-leasing is any transaction

“which has a total value under 50,000 in local currency, be it sterling, euros or US dollars.”

While the above definition may work for the Euro Zone, US and UK given the relatively close proximity of their local currency exchange rates, it certainly does not work for Africa where the value of local currencies varies extensively. At one end of the spectrum, for instance, you have countries like Zambia where 50,000 Zambian Kwacha translates to €4725. Another African country with a relatively strong currency is Gambia where 50,000 Gambian Dalasi translates to €1090. At the other end of the divide are countries like Sierra Leone and Uganda where 50,000 Sierra Leone Leones and 50,000 Ugandan Shillings translate to €10 and €15 respectively. A definition of micro-leasing that is based on an absolute figure in local currency is therefore unhelpful. Local specificities should determine what qualifies as



By **Chibuikwe Uche**. Uche is a Senior Researcher at the African Studies Centre, University of Leiden. He was the Convener of the *Leasing in Africa Workshop* during Africa works!

micro-leasing and what does not. Irrespective of the jurisdiction where micro-leasing takes place, experience has shown that it has immense potential to benefit local economic development. Micro-leasing, which allows the lessee (the borrower) to pay lease rentals to the lessor (the lender) over the period of the lessee's use of the leased asset can, for instance, be an important vehicle for surmounting the difficulty of outright purchase of such assets by the rural poor across Africa. This point is valid both for finance leases, where ownership of the leased asset is expected to pass to the lessee at the end of the lease period, and operating leases, where ownership of the leased asset is expected to remain with the lessor at the end of the lease period.

A somewhat less appreciated positive benefit of micro-leasing in Africa has to do with its potential role in skills and manpower development among the rural poor. This is made possible by

the fact that the ownership of the leased asset, even in a finance lease, remains with the lessor until the final lease rentals have been paid. Lessors therefore have an inherent interest in promoting and ensuring best practices in the use of leased assets by lessees. Many successful micro-leasing institutions apply the above principle.

The story of Selfina Tanzania

In Africa, an outstanding example of a successful micro leasing enterprise is Selfina Tanzania. Established in 2002, this company which is now being advertised by the International Finance Corporation as a model for micro-leasing, helps women build and grow value-creating, sustainable businesses by enabling them to acquire equipment for their businesses on lease. In the past, Selfina clients have used such leased equipment for various businesses including baking,

tailoring, farming, livestock keeping and food vending. In order to protect the leased assets and ensure their proper use, Selfina ensures that the lessees are taught the basics of business management and the proper use and maintenance of such assets. The experience lessors gain over time also put them in a better position to effectively advise and insist on the use of good quality machinery in a continent that has a limited mechanism for curtailing the importation of substandard machines and tools. Lessors are also in a much better position to promote the use of improved breeds of farm animals and to educate poor farmers on effective animal health practices. In summary, therefore, aside from its potential for easing access to capital, micro-leasing has the capacity to enhance the skills of the rural poor so as to effectively and efficiently use the leased assets. This enhances their economic productivity in their various jurisdictions. ◀

‘The next *dragon* will be in Africa’



As the CEO of a bank operating in 18 African countries, **Amine Bouabid** is in the perfect position to share his vision on the current state of the African economy. During Africa Works! our keynote speaker found some time to speak to NABC.

It was clear from the beginning that Amine Bouabid enjoyed articulating his thoughts by using analogies. His first, somewhat robust analogy compares Africa to an automobile. He explains that while some parts of a car, such as the air-conditioning, might not be functional, causing some discomfort to the passengers, the automobile itself will still work as long as the engine is healthy.

In the context of the banking industry, new and innovative features such as mobile money, Fintech and even brick and mortar branches are appearing. If these features fail to operate, it might be uncomfortable for the citizens of Africa, but they will continue to be thrust forward by the engine driving the continent. Ultimately, it is down to the core of Africa's economies: their capacities for investment, liquidity, equity and raw commerce. The world might be witnessing a transformation in the way money is transferred, but



Amine Bouabid: “Either you are an actor or a watcher”

A view on the Bank of Africa Office in Senegal.

it is the transaction itself that is the force keeping the engine of the economy well-oiled and running. “Everybody keeps talking about tech,” Mr. Bouabid expressed in a huff, “and now, Kenya needs to teach the West a thing or two about the new ways of banking.” When confronted with the idea that new developments in finance would pose a real competitive threat to traditional banks, Mr. Bouabid shrugged it off. “This is nothing to worry about. What is worth worrying about is testing new technology and products,” to stay at the forefront of the newest developments in the industry. “We don’t simply place a product in the consumer market and sit back, waiting for the results to come in. Every product and service is carefully measured for success.”

Currently, Bank of Africa (BoA) invests 18% of its portfolio in African SMEs, and the Group aims to reach 20% by 2018. “This will be done by reducing corporate

development funds via an engineering system,” Bouabid clarified. “We incorporate behavioural scoring with different variables per region.”

The stability of currencies

Regional differences in currency should always be taken into account. How the BoA is willing to approach the financing of SMEs depends on whether the country a particular SME operates in pegs their currency to the US Dollar or to the Euro. “For people who want to sign contracts in East Africa, we keep in mind that these contracts should be based on the US Dollar. Whereas in West Africa, currencies are pegged to the Euro, making the region more stable.”

Mr. Bouabid spoke with a defiant sense of conservative optimism about Africa’s economy and financial sector, the testament of a man who has been in the banking business for a quarter of a century. “It ▶



The Bank of Africa Office on Kenyatta Avenue, Kenya

is important to dream, but it is also important to be wary of trends. The demand may be there, but banking institutions are not going to stop being risk averse. If I was only making investments for profitability, I would not be deserving of my salary – I must take smart risks to help the development of the [African] countries. This is a cycle: you come and go and this is possible because we have a diverse portfolio. If we need to focus on one region and less on another, we will do so.”

Enlarging the cake

Enter Mr. Bouabid’s second analogy, in which we are now asked to think of the African economy now not as an engine, but as a cake. A big, scrumptious cake that can be cut into luscious slices and divvied out to individuals across the continent. Investments help to make the cake larger, making what began as a two-tier sponge a 14-layer double-chocolate ganache. The bigger that cake is, the more it can nourish Africans across the regions and cities.

Be that as it may, Africa is in dire need of good managers to carefully allocate the many slices. Mr. Bouabid

addressed the African ‘brain drain,’ a term that signifies the flight of accomplished, qualified and highly educated Africans who choose to pursue their careers on other continents. Bouabid sympathised with the notion that prospects for local people would become more appealing if the living standards in many African cities improved in areas such as infrastructure and sanitation. He is hopeful that this will happen swiftly.

“There is no growth in the North – the next dragon will be in Africa. Either you are an actor or a watcher. You can either be instrumental in the growth of Africa, or you can sit back and watch it whirl by.” Mr. Bouabid beckoned to young African professionals, emphasising that they can “add real value to society, to the economy and to their communities.”

He ended with some simple advice: “get your education, garner training in the development sector abroad and come back and operate in Africa. You may become richer than you would in any other place in the world.” ◀

MEMBERS



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Basileia Business
Berenschot
C.A.B.-V/VOC Developments
Nigeria ltd.
Clifford Chance LLP
Cordaid
De Brauw Blackstone
Westbroek N.V.
De Lage Landen International B.V.
De Vonk/ ITIM International
De Vries Africa Consulting
DIBcoop
DLA Piper
EMSA Emerging Markets Africa
Environmental Resources
Management (ERM)
Exportdocumenten.com (gelinkt
aan Pincvision)
FMO
Global Projects
Green investment services
HJR Retail Group B.V.
Hogan Lovells International LLP
Induct BV
ING Bank
Kevang ETH
Kind Prevision
KIT
KIT Intercultural Professionals B.V.
Koneksie
KPMG Management Services BV
Land Life Company
Language Institute Regina Coeli
B.V.
Larive International
Lineco BV
Mansell Africa Business
Development and Investment

Business Services

Migration and Development
Consultancy
Miranda, Correia, Amendoeira &
Associados
Mott MacDonald B.V.
MV Afrika Consultancy
MVO Nederland
Pilot Fish Media
Pincvision (gelinkt met
Exportdocumenten.com)
PriceWaterhouseCoopers (PwC)
Rabobank Nederland
Seyffert International Business
Consulting
Skandar
SMT Shipping (Netherlands) B.V.
Steward Redqueen
Stichting ICS (Investing in Children
and their Societies)
Strik
SYNERGIE
Tebodin Netherlands B.V
V HI- P
Vergeer Resultants
Wissing B.V.
World Box
Your Business Expansion
Market Research Solution Africa

Construction & Engineering

Aa - Dee Industry & Maintenance
BV
Adcim bv
Ballast Nedam International
Projects B.V.
BAM International
Blok Kats van Veen architects
Cityförster Architecture &
Urbanism
Dijkstaal
Iskall Service BV
Kroftman Trading BV
LEVS architecten
LievenceCSO Infra B.V.
Oskam V/F
Remco Ruimtebouw B.V.
Van Wijhe Verf B.V.

Electronics & ICT

Agile Development BV
Bein Group BV
Castor Networks
Closing the Loop
ISAH International BV
PortingXS B.V.
Tunga B.V.
Victron Energy B.V.
Zorgkluis bv

Financial Services

ASN Bank
Carnegie Consult B.V.
Castra B.V.
Commerzbank AG
Common Fund for Commodities
Deutsche Bank AG
Ebury
Emprise Projects
Flynth
INTL FCStone
Longonot Finance
Simbuka (previously Cregora)
TCX Fund
Terwel BV
Triodos Bank
Veris Investment BV

Food & Beverage

African Bakery Dynamics
Agronomix Europe
Bavaria
Biotropic
Farm Frites
FrieslandCampina
GenTrade International B.V.
Heineken International
Holland Food Trade
Intertaste Food Ingredients
J.P. Beemsterboer Food Traders
Jan Schoemaker B.V.
Marel Stork Poultry Processing B.V.
MPS Red Meat Slaughtering B.V.
Rademaker
Teeuwissen Holding B.V.
Vrumona B.V.

Machinery & Equipment Suppliers

Amatrex Holland
American Machinery BV
(previously Machines Forestieres)
ANDRITZ Gouda
Ante B.V.
Belaj Technology
Big Machinery B.V.
Celtic Cooling
Cimcool Industrial Products BV
CWT Commodities
Delta Machinery
Dieseko Group
Direct Maintenance B.V.
Driessen Vreeland BV
GEA Refrigeration Netherlands N.V.
- International Sales (IS)
Hilarius Haarlem Holland B.V. -
HILCO WELDING
IHC Merwede Holding B.V.
Moba B.V.
Nestinox BV
Omnivent Techniek B.V.
Prima Equipment BV
Riverland Equipment B.V.
Saint-Gobain Abrasives BV
SNA Europe (International)
Solvochem Holland BV
Van Beest

Livestock

Agripoort
Foodmate
Impex
Mueller B.V.
Nuscience
Vencomatic Group

Media, Art & Design

Business Safari TV
Clifton Boulder
Creat Media
Wereld Museum Rotterdam

Medical & Pharmaceuticals

Achmea
CEPD NV
Delft Imaging Systems
Health Access International
i+solutions
International SOS
Millson BV/ Hospitainer
Oldelft Benelux
Omron Healthcare Europe BV
PharmAccess International
Sakura Finetek Europe B.V.
SYMX International BV

Marine & Offshore

Baggerbedrijf de Boer Holding BV
Damen Shipyards
DEEP B.V.
Dockwise Shipping B.V.
Dredging and Contracting
Rotterdam B.V.
Haven Amsterdam / Port of
Amsterdam
Heerema Marine Contractors
Nederland SE (HMC)
Jumbo
Koninklijke Boskalis
Westminster nv
Kotug International BV
Kriesels Scheepsmakelaar B.V./
RKS B.V.
Mammoet Europe B.V.
Mampaey Offshore Industries B.V.
Martrade BV
Smit Terminals / Lamnalco
STC B.V.
Ten Cate Protect BV
Van Oord Dredging and Marine
Contractors BV
Vroon Offshore Services

NGO's, Knowledge Institutions & Non-Profit

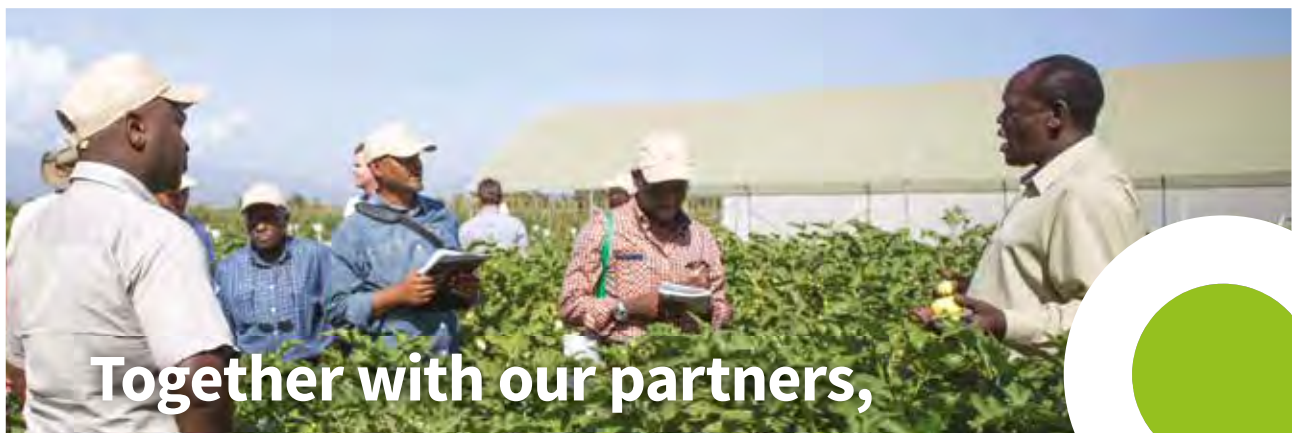
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Onstream International B.V.
SBM Offshore
Shell International Explorations &
Production B.V.

Renewable Energy

Ansaldo Thomassen BV
Bredenoord
Foundation rural energy services
(FRES)
Greenlink Power B.V. (hiervoor
RIWIK East Africa Ltd.)
Libitco
NOTS Support BV
Philips Lighting BV
Safi Sana Holding BV
Solited International Trading BV
Stichting Sideon (DjimTech)
The Wind Factory - The Factory
Group
WakaWaka BV
Wärtsilä Nederland B.V.

Security

CSE Security Services
Digivox BV
Expatriate Preventive
HSB Identification
SecureOne International BV
Shore & Offshore Security B.V.
Skycam Technologies
Vigilance BV

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Jobnet Africa (ex-WerkinAfrika)
MDF Training & Consultancy
Sweerts HRM Consulting

Transport & Logistics

Agility
AMS/Voerman International
BG Trading Company
Breadbox Shipping Lines B.V.
Broekman Shipping
C. Steinweg Handelsveem BV
Cornelder Holding BV
Fast Forward Freight BV
Greenshields & Partners
Intermarine / Industrial Maritime
Chartering GmbH
Lion Air Cargo
LOGISA
Neele-Vat Logistics (voorheen
VATlogistics)
Newport Tank Containers Inc
NileDutch
Ozer Logistics BV
Portside / Ports Marine Ltd
Red Transport & Logistics BV
Remant Logistics
RMR Shipping BV
RT Holland BV
Safmarine Container Lines
SDV Nederland B.V.)
Seko Logistics BV
Steder Group B.V.
Supermaritime International BV
Van den Bosch

Water

Aqua for All
Blue Pump
Deltares
Holland Mineral
Water Machinery BV
IRC
Landustrie Sneek B.V.
Nijhuis Water Technology BV
QM Environmental Services
The MasterMind Company
Vitens-Evides International BV

Wholesale & Retail

African Bamboo Bikes
Akzo Nobel Car Refinishes B.V.
Hollandia International B.V.
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Vlisco B.V.

Meet the NABC Team



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Managing Director



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& Business
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Cooperation*



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Djamila Benabdallah
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Energy &
Infrastructure*



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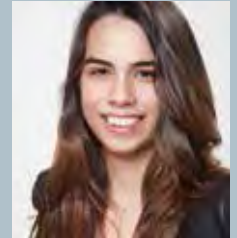
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AfricInvest Group*



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*Former regional President Africa
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Leontine van Hooft
Green Dream Company

Jan van der Horst
Dir. Corporate Affairs - Vlisco

Paul van de Ven
Isa Hendrix Genetics

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SGS	INSIDE COVER 2

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