



Photo credit: Global Shea Alliance



Mobilizing Capital for the Shea Value Chain in West Africa

29 November 2021



Just
Rural
Transition

Global
Shea
Alliance



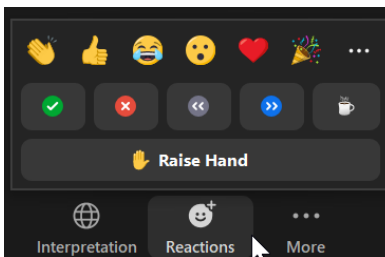
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Housekeeping

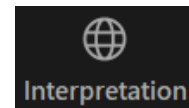
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Anti-trust statement reminder

Avoid any discussion in any conversation of competitively sensitive topics such as:

- Pricing, costs
- Bid strategies
- Future capacity additions or reductions
- Customers
- Output decisions

Today's Agenda

1

Welcome and housekeeping

Melanie Levine,
WBCSD

2

Background: Agri-SME Investment Platform

Martin Poulsen, Acacia
Victoria Crawford, JRT
Investment Partnerships,
WBCSD

3

Context-setting: the shea supply chain

Marie Veyrier,
Global Shea Alliance

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Financing gap in the shea sector

Thomas Wiechers,
FSD Africa
David Lyon, ImpactAgri

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Panel 1: Agri-SME action in the shea value chain

Agri-SMEs

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Panel 2: Investment ecosystem in W. Africa and opportunities to drive finance into the shea sector

Various panellists

7

Q&A
All

8

Close and next steps

Melanie Levine,
WBCSD



Photo credit: Global Shea Alliance

Whole Value Chain Dialogue: Key Aims

- 1** Dive deep into the shea value chain in West Africa **to illustrate how driving investment into agri-SMEs in this sector can boost incomes and protect and restore nature**, providing unique opportunities for investors looking to achieve social and environmental outcomes.
- 2** **Identify the finance needs, opportunities, and challenges** for the sector through a discussion between agri-SMEs, investors, capacity building organizations, companies and advisors.

- 3** **Present and discuss the design of the Agri-SME Finance Platform** and how it can more effectively drive capital into agri-SMEs across supply chains and geographies that can contribute to a just rural transition.

Background and purpose

Introducing the Agri-SME Investment Platform



Victoria Crawford

Senior Manager

Just Rural Transition Investment
Partnerships, WBCSD



Martin Poulsen

Director

Acacia Sustainable Business Advisors

Why an Agri-SME Investment Platform?

What is needed for an inclusive agri-SME investment ecosystem?



An SME Ecosystem Approach

Different actors, from business support orgs to investors, have roles to play



Long Term Connections

Building investment partnerships requires long term, continuous connection



Context-Specific Understanding

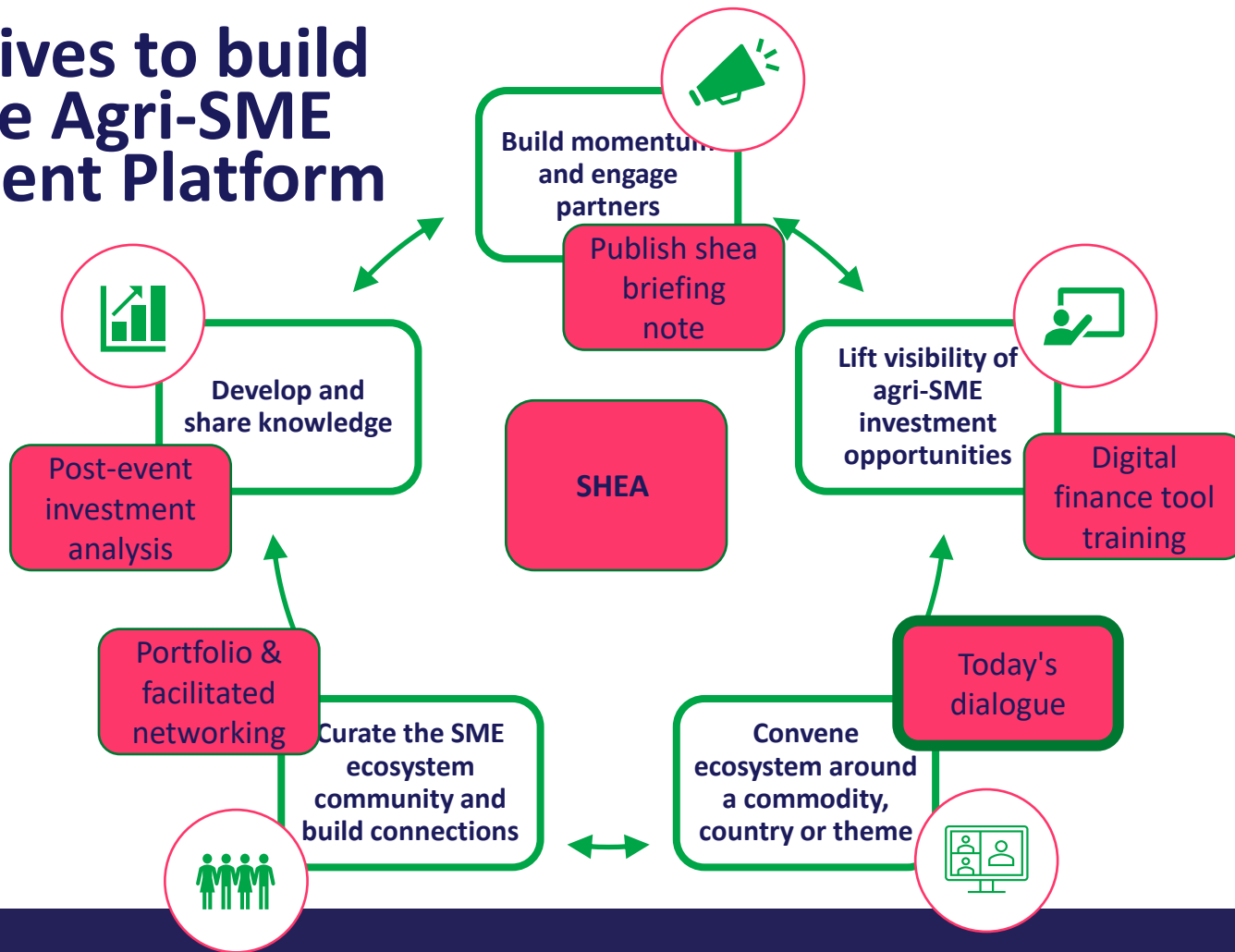
The investment context varies by commodity, geography and type of organization



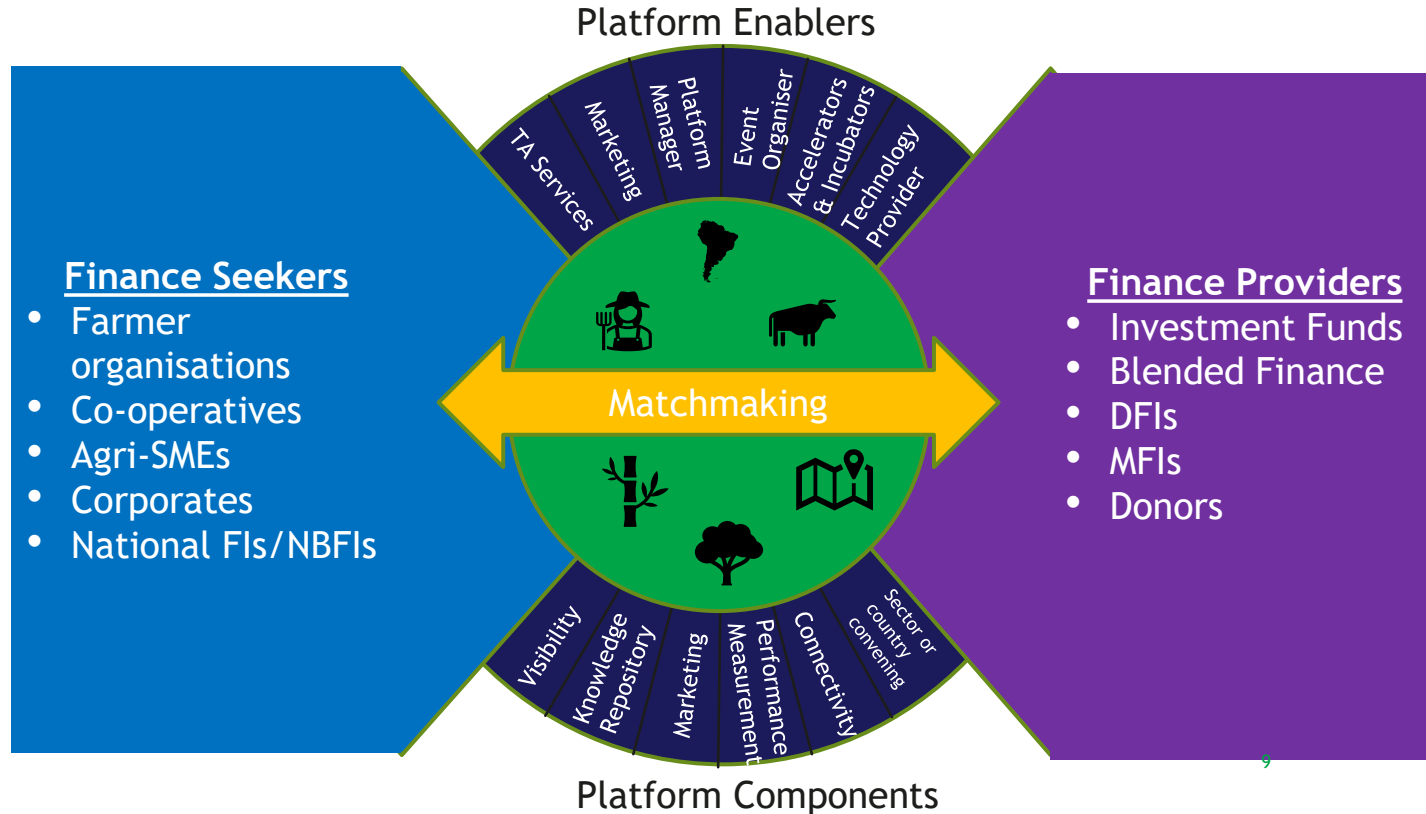
Collaboration with Existing Initiatives

To complement existing efforts

Deep Dives to build out the Agri-SME Investment Platform



Agri-SME Investment Platform



Next Steps

Shea Deep Dive

- Curate a portfolio of investors, SMEs and business development service providers
- Publish summary investment analysis for shea sector
- Build lasting shea SME community (e.g. facilitated networking week) in partnership with GSA

Agri-SME Investment Platform

- Incorporate feedback and suggestions/input from today's participants
- Refine/revisit design of pilot 'platform' ensuring user-friendly and fit-for-purpose. Scope second pilot in another geography/value-chain



Context-setting

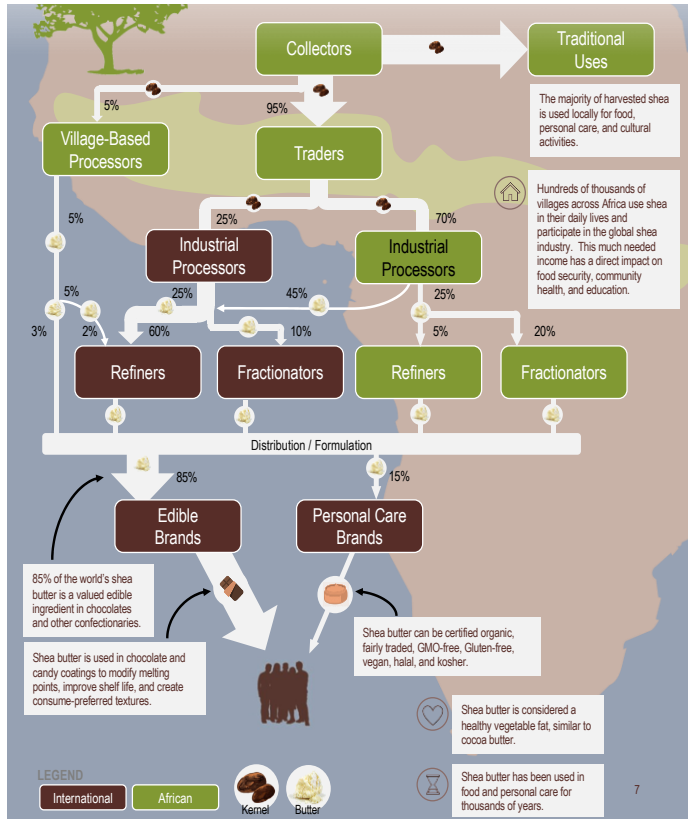
The shea value chain in West Africa



Marie Veyrier

Development Director
Global Shea Alliance

Value Chain Overview



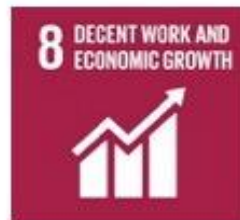
Key Figures

- 2 billion shea trees
- 16 million women
- 920,000mt of kernels collected annually

Industry Impact



Shea exports provide **\$112 million direct income** for women collectors and \$80 million of additional income for their communities.



Over 4 million women directly involved in shea trade and processing for export.



Shea income is received during the lean season, which makes it particularly valuable to bridge the gap between two harvests.



Every year, shea parklands in West Africa **capture 1.5 millions tons of CO2** that they store in the soil.



Women retain control of shea-related revenues. 90% of women view shea as the major source of their livelihoods.



The trees are integrated with crops on smallholder farms, creating an **agroforestry landscape, resilient to climate change**.

The Financing Gap in the Shea Sector

Initial research findings



Thomas Wiechers

Assistant Director for Risk & Resilience
FSD Africa



David Lyon

Technical Director
ImpactAgri

Shea Financing Survey: **overview**

BACKGROUND

There are major gaps in availability of different risk management approaches leading to higher cost and limited availability of financing

PROJECT AIM

To identify need and options for risk management mechanisms along the shea value chain

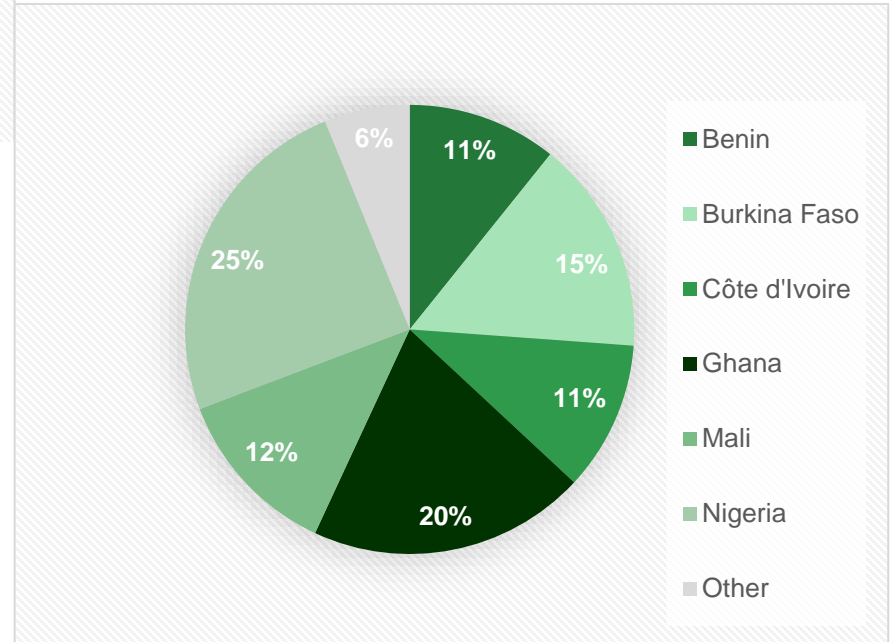
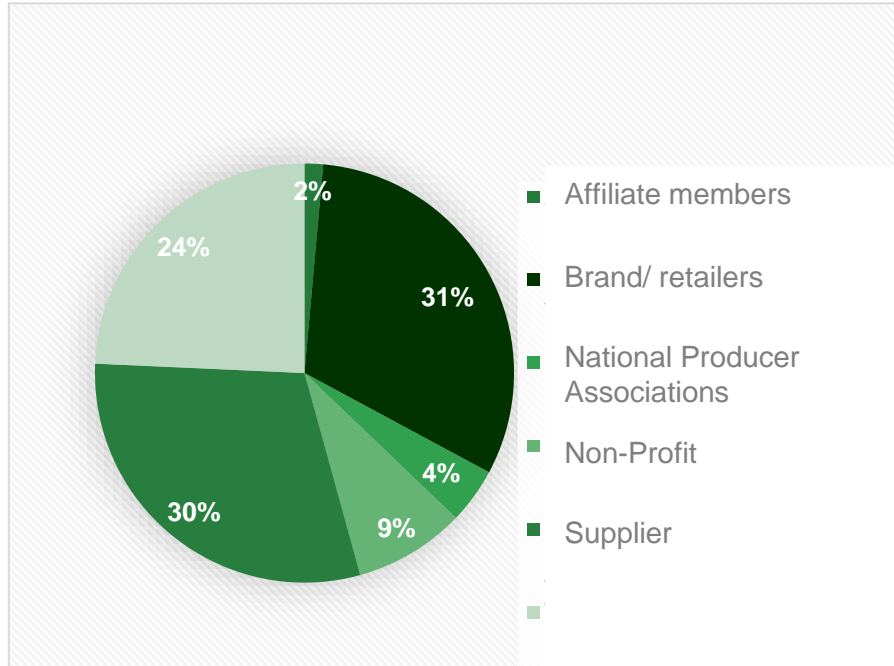
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Background: Profile of respondents

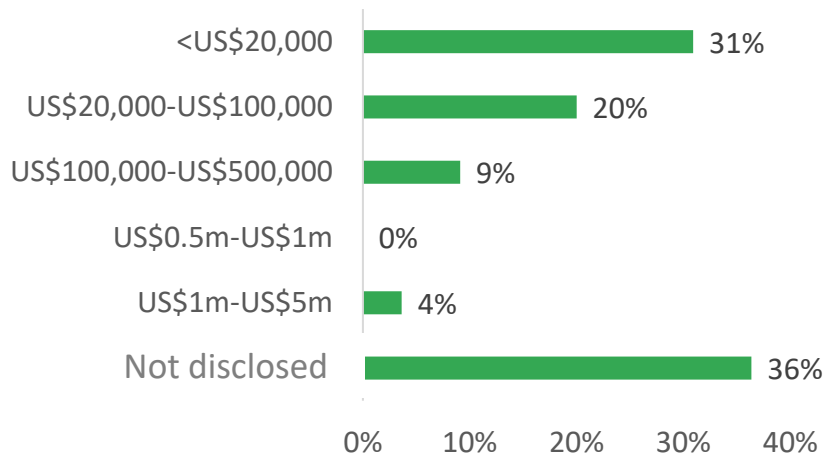


91% of the 62 respondents are SMEs (defined as turnover < \$1.5m)

72% are women-owned organisations

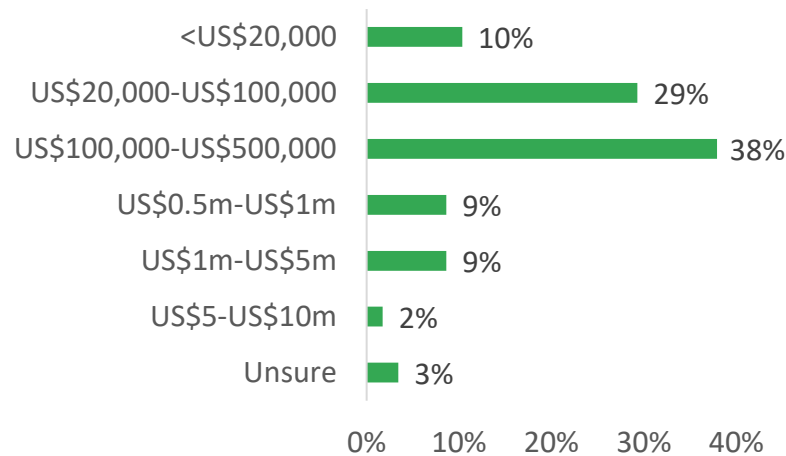
Background: Funding

AMOUNT RAISED TO DATE



- 40% was sourced from family and friends with 60% for other source categories (split evenly)
- Of the funds received by SMEs, 40% was in form of grants, 38% debt and 21% equity

SCALE OF FINANCE SOUGHT



- SMEs anticipated future funding could be 48% grants (aid agencies or government), and 31% from banks and MFIs.
- Family and friends only accounted for 7%

Barriers

SMEs consider several key barriers are important to investors:

- Meeting buyer requirements and buyer ability to pay promptly
- Ability to access or supply shea nuts
- The ability to secure loans and/or provide financial records
- The high cost of financing and timing of paying back loans
- The lack of knowledge regarding financing opportunities in SMEs

Underpinning many of these barriers is the following view reported by one respondent

"the shea sector is informal and disorganized, the risk associated with the sector is high and the majority of banks refuse to finance shea.

Suggested solutions

60% of the SMEs and other respondents agree with the importance of the risk management solutions identified by the survey

In particular, a number of priorities were identified by respondents:

- Improving understanding and engagement between SMEs and financial institutions
- Building resilience in underlying SME business models (e.g. clearer contracting, enabling revenue diversification, and product storage)
- Availability of guarantees and other risk management measures to secure loans and address risks related to security of supply
- Interventions to improve the collection, processing and management of information

Thankyou!

Thomas Wiechers

thomas@fsdafrica.org

David Lyon

David.lyon@impactagri.com

Panel 1: Agri-SME action in the shea sector

La Fédération Nationale des Productrices d'amandes et de beurre de Karité du Bénin (FNPB-Bénin)



Djaffo Mamatou

President
FNPB-Bénin



FNPB-Bénin
Fédération Nationale des Productrices et Producteurs de beurre de Karité du Bénin

PRESENTATION DE LA FEDERATION NATIONALE DES PRODUCTRICES D'AMANDES ET DE BEURRE DE KARITE DU BENIN (FNPB-BENIN)

Réalisé par:
Madame DJAFFO Mamatou
Présidente de la FNPB-
Bénin

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E-mail : fnpb.benin2020@gmail.com / ayenaud@gmail.com*

PRESENTATION DE LA FNPB-BÉNIN

FNPB-BENIN est née à la suite d'une Assemblée Générale Constitutive (AGC) tenue le 30 janvier

2020

**903 Sections
Villageoises**

**Fédération Nationale des
Productrices d'amandes et de beurre
de Karité du Bénin (FNPB-Bénin)**

**Près de 70 000
Femmes membres**

**Unions Départementales des
Productrices de Karité (UDPK)**

**05 UDPK (Alibori-Atacora-
Borgou-Collines-Donga)**

**Coopératives des Ramasseuses de Karité (CRK) /
Coopératives des Productrices et Producteurs
d'amandes et de beurre de Karité (CPK)**

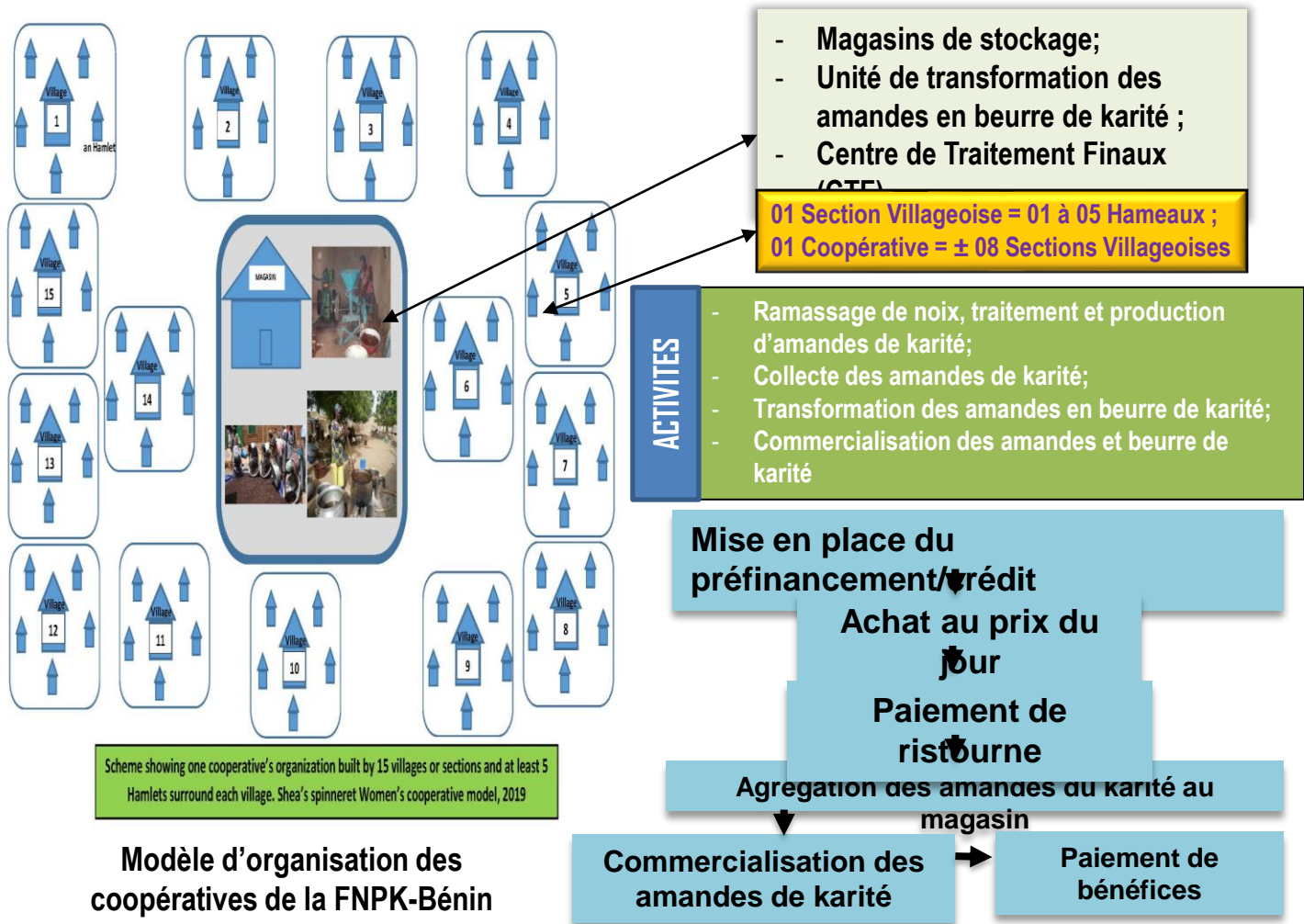
**Coopératives des Productrices
du Beurre de Karité (CPBK)**

66 CRK / CPK

31 communes productrices de karité couvertes

La FNPB-Bénin est membre de l'Interprofession Karité Bénin (IKB)

MODELE D'AFFAIRE DE LA FNPB-Bénin



BESOINS D'INVESTISSEMENT

SERVICES

Renforcement de capacités des membres

Accès au crédit agricole (préfinancement)

Accès aux matériels, équipements et infrastructures

Accès aux marchés (entreprises-coopératives, acheteurs professionnels-coopératives, etc.);

Plaidoyer pour la protection de la ressource karité

BESOINS DE FINANCEMENT

Crédits / préfinancements

Infrastructures (magasins, unité de transformation, aires de séchage, etc.)

Obtention de certification (Ecocert, fair trade, etc.)

Matériels (marmites, bassines, bottes, gants, imperméables, lampes torches, etc.)

Equipements (tricycles, palettes, humidimètres, pH-mètres, thermomètres, etc.)

Panel 1: Agri-SME action in the shea sector

Mali Shi



Aissata Sow Kone

Director of Finance, Administration, and Accounting
Mali Shi



MALI SHI :

UNE AGRO-INDUSTRIE
INNOVANTE & DURABLE



PRESENTATION



- Le projet Mali Shi est né du désir du groupe OMNIUM de se diversifier;
- **MALI SHI SA** est unité industrielle de production de beurre de karité basée à Bamako (Mali);
- L'entreprise est impliquée dans des activités de collecte, de transformation et d'exportation. Ses activités comprennent entre autres:
 - L'organisation de l'approvisionnement en amandes de karité par l'intermédiaire d'organisations de production principalement composées de femmes au Mali;
 - l'achat, l'agrégation, le classement et la transformation des amandes de karité en **beurre de karité** et **sous-produits** (briquettes);
 - la vente de beurre de karité aux clients internationaux.
- L'investissement total est de **3,24 milliards de Francs CFA** .

APPROVISIONNEMENT : une stratégie basée sur la durabilité

Mali Shi s'approvisionne en amandes de karité respectant des **critères de qualité préétablis** ;

Deux(2) sources d'approvisionnement :

↗ Directement auprès des collectrices

↘ Pour améliorer considérablement les revenus des femmes rurales, Mali Shi priorise l'achat direct auprès des collectrices à travers son réseau propre qui est la principale source d'approvisionnement.

↖ Indirectement via des traders



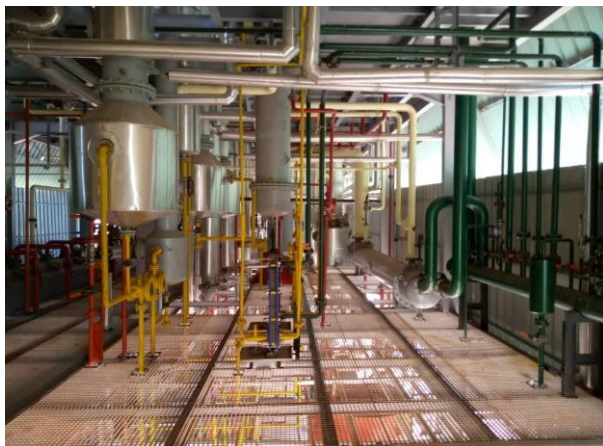
Le Réseau propre de Mali Shi (*Achat direct*)

- Présent dans quatre régions du Mali (Sikasso, Ségou, Kayes, Koulikoro);
- Plus de 20 000 collectrices avec un objectif à terme de 120 000 femmes;
- Une soixante d'organisations de production (OP) partenaires constituées de coopératives, d'union de coopératives, de groupements, ...

Mali Shi noue des contrats de partenariat commercial durable avec des organisations de production (OP);

Plusieurs projets de renforcement de capacités destinés aux OP avec des organismes partenaires comme **IFC, ONU Femmes, Projet de karité de MPFEF, Cadre Intégré, Bunge Loders Croklaan, Global Shea Alliance** , ...

PRODUCTION : Une usine innovante



Le beurre de karité produit par Mali Shi est obtenu par extraction par presse suivie d'une extraction par solvant (hexane);

Les activités de Mali Shi ont créé **128 employés directs** dont **90** à l'usine.

CAPACITE DE L'USINE

- 30 000 tonnes d'amandes de karité / année;
- 14 100 tonnes de beurre de karité/année;
- 15 000 tonnes de briquettes /année.

ASSURANCE QUALITE

Une grande importance est accordée à la qualité depuis la collecte des fruits en brousse jusqu'à l'expédition du beurre à nos clients.

CERTIFICATION

- **Obtenues** : Halal, Kasher;
- **En cours**: HACCP, VACCP, TACCP (dès la 1^{ere} année) / ISO 22 000 au bout de 3 ans

MARCHE : une vente orientée vers le marché international

Le beurre de Karité produit par Mali Shi est destiné à l'exportation vers l'**Europe**, l'**Asie** et d'autres pays de l'**Afrique**.

Les clients de Mali Shi utilisent le beurre de karité dans l'alimentaire ou les produits cosmétiques.

Dans l'agroalimentaire, le beurre permet de produire le **Cocoa Butter Equivalent (CBE)**: matière grasse utilisée en alternative au beurre de cacao dans la formulation de chocolat ainsi que pour la margarine et les enrobages alimentaires.

L'agroalimentaire représente **90 % des exportations** de l'Afrique de l'Ouest

- Un accord de vente a été conclu avec **BUNGE LODERS CROKLAAN** pour trois ans
- Au moins 80 % de la production de Mali Shi est destinée à l'exportation par **FLEXITANK**



Impact Environnemental

- Protection des arbres à Karité qui deviennent une source de revenus pour la communauté;
- Six millions d'arbres protégés tous les ans à terme;
- Valorisation des tourteaux de karité produits à l'usine;
- Utilisation du tourteau de karité comme combustible;
- 15 000 tonnes de charbon économisées tous les ans à terme;
- Mise en place de pépinières de karité dans les villages partenaires;
- Développement d'activités de reboisement d'arbres à karité.

Impact Socio-économique

- Retombées directes et indirectes sur **120 000 femmes par an** à travers le Mali à terme;
- Création de **128 emplois dont 90 directs à l'usine**;
- Augmentation des revenus en milieu rural ;
- **Diversification et sécurisation des revenus des collectrices** à travers la signature de contrat de partenariat lors de toutes les campagnes agricoles;
- **Réduction de la pauvreté**;
- **Structuration** des coopératives grâce aux divers partenariats de Mali Shi;
- **Renforcement des capacités** de 120 000 collectrices.

Un projet à fort impact

Recherche de Financement pour la campagne 2021-2022

Pour cette campagne, l'objectif d'achat de Mali Shi est de 30 000 tonnes d'amandes pour 12 314 tonnes de beurre à vendre.

Pour ce faire, Mali Shi aura besoin de 6 milliards de Francs CFA pour s'approvisionner en amandes dont la moitié sera financée par fonds propres.

Nous avons déjà reçu un financement de 1,352 millions de Francs CFA de la part de partenaires financiers tels que :





- ❑ L'objectif de Mali Shi est de créer de la valeur ajoutée au Mali ;
- ❑ L'usine est construite de sorte que la capacité peut être doublée avec plus d'investissements;
- ❑ Dans le cadre de sa stratégie de diversification, Mali Shi travaille déjà sur des projets à fort impact comme le Fonio, le Mil, le Sorgho.



MALI
SHI



Panel 1: Agri-SME action in the shea sector

Sheer Babe



Abena Nana Yankah

Founder
Sheer Babe

Sheer Babe Business overview and Model

- Sheer Babe as an organization has been running since October 2016 to date and beyond, for the past five years the company has been run solely by Abena Yankah, with minimal help from support systems such as family and friends. In the past five years we have developed through , online courses from She Trades, and offline boot camps by Developers in vogue. Our business model is to create a fast and easy way to communicate everyday skin and hair issues by content blogging and video vlogging online to paying customers and to also allow customers to reach out and ask for advice and demand and purchase products, both instore and online.

Business Mission

To create healthy organic hair and skin care cosmetics, for confident women and men agers, who desire healthy hair and skin. Sheer Babe sells Hair shampoo, Hair Conditioner, Hair Leave in lotion, body wash, face wash, face moisturizer, sunblock and anti aging serum.

WHY Sheer babe is seeking financial help

- To be able to move to a location in the city which will give be easy for customers to access products and services.
- To be able to standardize products and enter new markets, such as Kenya, Ivory Coast, Dubai, New York, Paris and Asia
- To better equip with machinery to access quicker and more sustainable production of cosmetics.
- To create a website that connects beauty experts for their products and services
- To hire and train women and girls in the beauty industry, for better promotion and sales of the company.
- To afford customers a relaxed atmosphere and to give products and services for all hair and skin needs.
- To provide customers clean and standard products.

Panel 2: The investment ecosystem in West Africa and opportunities to drive finance into the shea sector



Martin Poulsen
Director
Acacia Sustainable
Business Advisors

Moderator



Raymond Kofi Sakyi
Senior Project Associate,
Partnerships for Forests



Baafour Otu-Boateng
Investment Director,
Investisseurs & Partenaires
(I&P)



Renée Chao Beroff
CEO and Founder,
CIDR Pamiga



Yves Komalco
West Africa Regional Manager,
Oikocredit



Q&A and discussion

Photo credit: Global Shea Alliance



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Participant feedback: Mentimeter



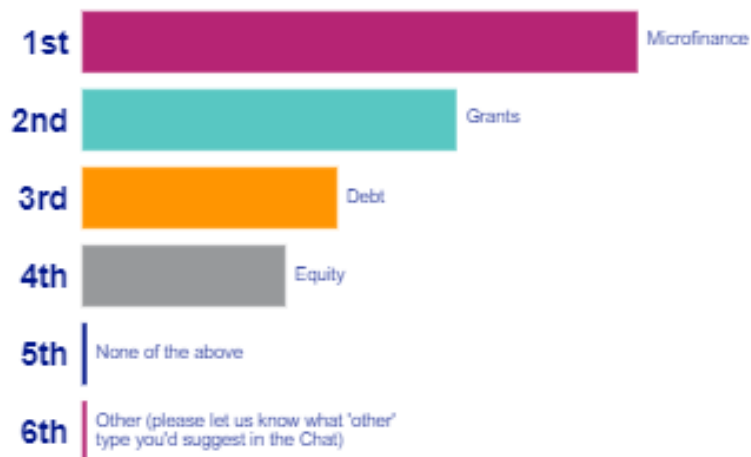
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What is the most easily available form of finance in the Shea value chain?



What services are currently most difficult to access for growing businesses in the Shea value chain?



What is needed to bridge the gap between investors and SMEs in the shea value chain?



Informations/formation sur l'accès aux financements

Plus de garanties coté PME. Contrats bien établis. Liste de clients fiable

engagements

Financial aid and grants

More Networking opportunities that introduce sme's to investors

contracts

understanding of the industry from financiers; adaptation to SME needs and size (lower investment threshold); more matchmaking

Incubation

Informations/formation sur l'accès

A platform that engages both SME s and investors, also information that will give Sme access to investors.

Capacity to provide high-quality information about the SME in the value chain to potential investors

engagements

Shared understanding of financial institution requirements Formalisation of Financial records

Creating a link

Technical Assistance and training

More Networking opportunities that introduce sme's to investors

What kind of follow-up to this event would you like to see?





Next steps and close

Contact: Melanie Levine, levine@wbcspd.org

Interested in continuing to engage with participants & speakers?
Join the Agri-SME Digital Finance Tool today at
invest.globalagribusinessalliance.com.

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