



# **DFM food security and climate change seminar 21 April 2023 at CBS**



Dansk Forum for  
**Mikrofinans**



- **Has been working with agricultural projects in Africa since 1985, both for the private and public sector**
- **Has been impact investor in 2 projects in East Africa, one of them with managerial responsibility**
- **Since 2015 working for Access2innovation, a member based NGO who:**
  - **facilitate partnerships between the private- and public sector, universities and NGO`s for developing innovative and adaptable solutions for the East African market – solutions in a broad sense incl. business models**
  - **introduce Danish companies to the East African market**
  - **are implementing DMDP and DGBP projects in Uganda and Kenya**
  - **has a regional office in Kampala for assisting Danish companies**



**65% of the worlds unutilized agricultural resources are in Africa. But mainly three major obstacles ( though some difference between countries):**

- 1. Corruption at all levels - and almost no law enforcement**
- 2. Structural development – farms are becoming smaller and smaller**
- 3. Lack of liquidity due to very high interest rates**

**Also:**

**Farmers are in general poorly organised**

**Informal sector accounts often for 90% of the economy**

**Unbalanced markets is causing substantial food loss**

**Poor level of education makes capacity building difficult**

**Private sector has not been prioritized enough in the development eco system**







- **Little or no development in rural areas (income per capita) since 1985**
- **Very fragmented and complex value chains controlled by middlemen**
- **Technical solutions are only a minor part of the answers to food security**
- **Major loss in production potential (seed quality etc) and side streams**
- **Lack of finance make farmers choose the least optimal solution**
- **Tough competition from e.g. China, India and Alibaba**
- **Little or no understanding of business among farmers in rural communities**
- **Land is often the only security for a loan; but a clean title is a rarity**
- **You have to work with multiple stakeholders to secure project finance**
- **Danish companies and impact investors need to be very patient – 10 years?**





- 1. Only the private sector can pay for everything we need from school fees, medical care to green transition. Should the private sector support be increased on the expense of the humanitarian aid for increasing investments in food security etc. and make the countries more self-reliant?**
- 2. Capacity building – the person with 1 or 20 cows?**
- 3. Push or pull approach. E.g. how much shall we insist on green transition within the agricultural sector in Africa when a farmer almost pollutes zero and climate change is mainly caused by global overpopulation?**
- 4. How can we change farming from subsistence to commercial production – can micro finance support a structural development process?**
- 5. Why is there no cassava starch plant in the whole of East Africa when e.g. alone in Thailand there are 67 (same climate, same soil – if not better)?**



Dansk Forum for  
**Mikrofinans**