



Federcasse

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AGRICULTURE FUNDING SYSTEMS FOR SECURITY AND THE SOVEREIGNTY OF FOOD IN TOGO

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PROJECT OBJECTIVE

- The project aims to contribute to improve the living conditions of rural population in Togo, through the exchange of experience and expertise between the Italian cooperative world and rural organizations. The field identified for this exchange of experience is the financing of agriculture in order to increase productivity and modernize the sector.
- The initiative integrates a capacities & institutions building dimension aimed at two aspects of great importance for the sustainable development of the rural world: agri-food supply chains, access to markets and access to medium/long-term credit for farmers.
- The project covers three areas of activity (finance, agriculture and socio-cultural activities)

PROJECT COMPONENTS



FINANCIAL COMPONENT.

- The field of the initiative is agricultural credit: the aim is to promote a virtuous process for agriculture and food processing. Most of the financial resources made available are dedicated to promote medium and long term investments to increase agricultural productivity and to allow the development of processing, conservation and marketing activities enhancing greater local development
- The initiative aims to contribute to a greater professionalization of partner financial institutions and to strengthen their strategies to support the rural world.

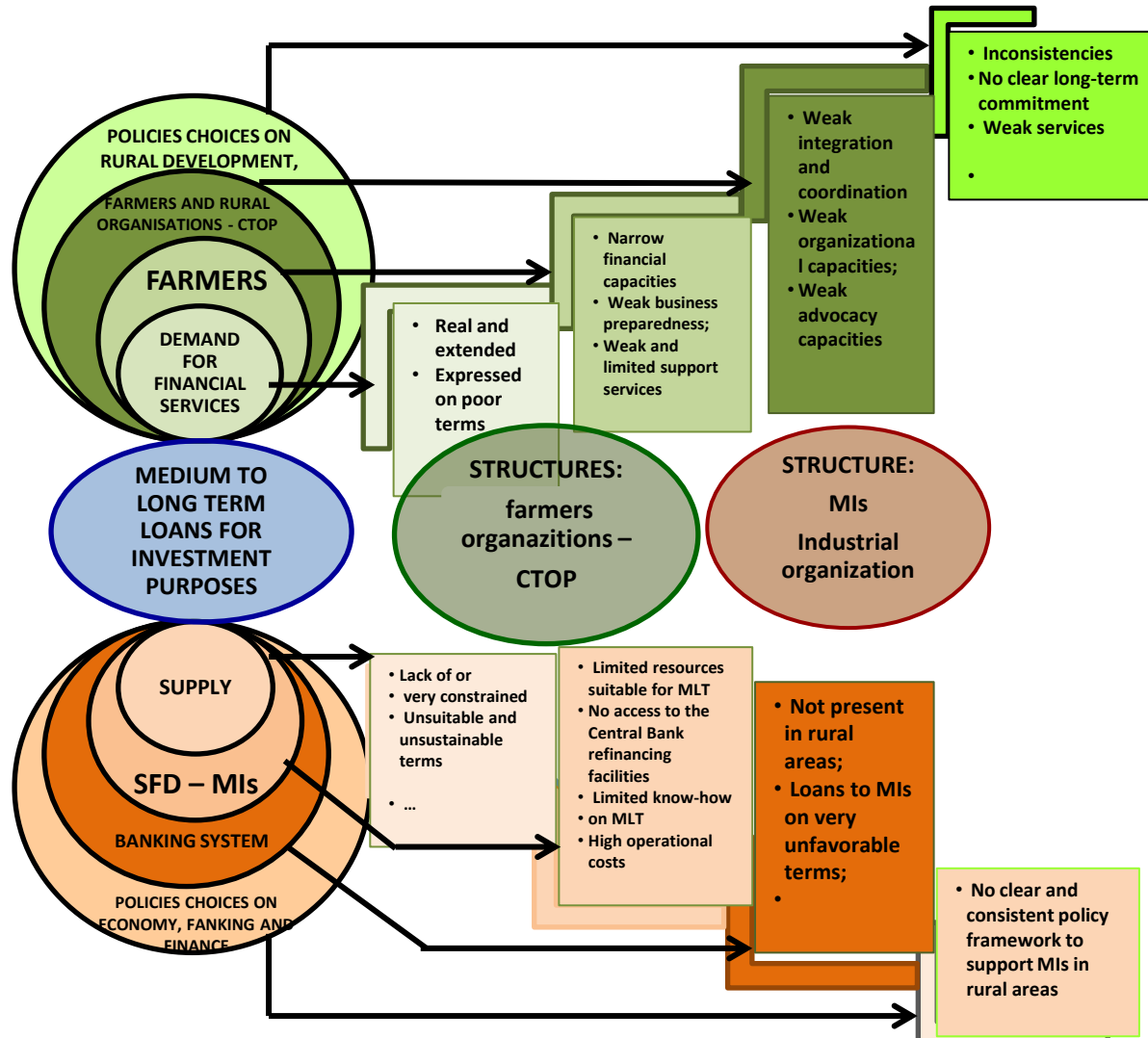
AGRICULTURE COMPONENT.

The main objective is to support the capacity building of farmers' organizations both on a technical level (development of the value chain in agriculture) and on an organizational and institutional level. In addition, the projects aims to strengthen the advocacy and representation capacities of the top management structures in order to improve the services provided to members.

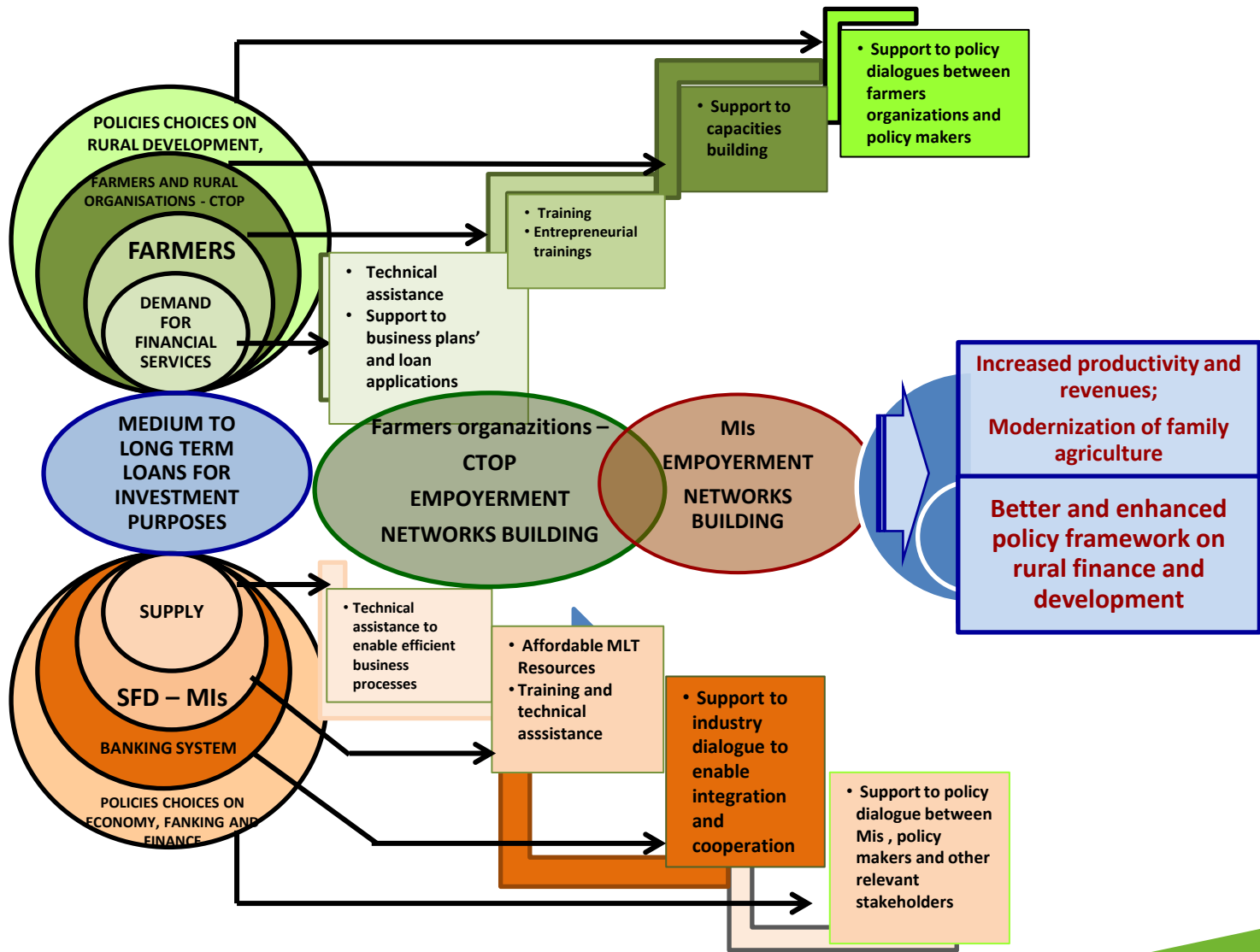
SOCIO-CULTURAL COMPONENT.

The programme also aims to promote meetings, mutual acquaintance and exchange of stories and experiences between the Italian cooperative movement and similar movements in Togo, as well as to raise awareness among Italian public opinion on the issues of agriculture and food in Africa.

MAIN DRIVERS TO THE PROJECT DESIGN



ACTIVITIES



RESULTS ACHIEVED

- **DISBURSEMENT OF 2 MILLIONS EURO** TO TWO MICROFINANCE INSTITUTION FOR MEDIUM-LONG TERM LOANS →
 - MORE THAN 70 PROJECTS FUNDED
 - MORE THAN 6500 BENEFICIARIES
- **PARTNERSHIP AGREEMENT WITH CTOP** →
 - 150 COOPERATIVES PROMOTED IN DIFFERENT REGIONS
 - 150 FARMERSTRAINED BY REGIONAL CTOP BRANCHES
- PROMOTED A **STRATEGIC PARTNERSHIP** BETWEEN THE **MFIS AND CTOP** FOR IMPROVING THE ACCESS TO AND THE FUNDING CONDITIONS FOR CTOP MEMBERS → Objectives: increasing organizational and operational synergies between local players to facilitate access to credit of local producers – Identifying coop and associations members of CTOP with increasing potential and investments needs to realize this potential -- elaboration of investment plans -- monitoring and supporting the projects financed)
- **PARTERNSHIPS AGREEMENT WITH FAIEJ** (MINISTERIAL FUND FOR THE DEVELOPMENT OF THE YOUTH ENTERPRENEURSHIP) → Training of trainers to support, evaluate and monitor the set up of cooperatives)



RESULTS ACHIEVED

- STARTED A **POLICY DIALOGUE** WITH SEVERAL TOGOLESE INSTITUTIONS:
 - MINISTRY OF AGRICULTURE
 - MINISTRY OF THE DEVELOPMENT AT THE BASE AND YOUNG PEOPLE
 - SECRETARY OF THE STATE ON THE INCLUSIVE FINANCE
 - CAS-IMEC

- IMPLEMENTED PRELIMINARY ACTIVITIES OF THE **PROJECT “LABORATORY OF COOPERATIVE ENTREPRENEURSHIP AND DEVELOPMENT COOPERATION”** , AIMED TO ENSURE THE FINANCIAL INCLUSION OF WOMEN AND YOUNG PEOPLE, THROUGH THE SUPPORT OF APES (Association of young Togolese for the development of a solidarity-based economy)



RESULTS ACHIEVED

- IN RELATION TO THE AGRICUTLURAL COMPONENT, THE INVOLVEMENT OF BRIO S. p. A., AN ITALIAN COMPANY THAT OPERATES IN THE PRODUCTION AND MARKETING OF ORGANIC PRODUCTS, according to which *Togolese organic products are of excellent quality and would be valuable for the Italian and European market* →
 - 4 marketing meetings aimed to assess the possibilities of a marketing and export process for pineapple, soybean and organic ginger produced by small entrepreneurs beneficiaries of the credits of the BCC credit pool for Togo
- EXPERIMENTAL EXPORT OPERATIONS OF TOGOLESE PRODUCTS IN ITALY



MAIN CHALLENGES ENCOUNTERED:

- **HIGH LEVEL OF FRAGMENTATION OF PUBLIC POLICIES** → INTEGRATION OF PUBLIC SECTORAL POLICIES (Example: vision and global approach to the FNFI programme).
- **LACK OF NATIONAL STRATEGY FOR THE COOPERATIVE SECTOR** within the broader strategy to reduce poverty and improve financial inclusion;
- **LACK OF AN ADEQUATE NORMATIVE FRAMEWORK** → REVIEW AND INTEGRATION OF THE REGULATORY FRAMEWORK (Example: The regulatory framework for financial cooperatives (MIs) doesn't take in due account their dual nature (financial institution and cooperative); Improvement of the prudential framework for the introduction of guarantee instruments);
- **LACK OF ADEQUATE COMPETENCIES (SUPPLY AND DEMAND SIDE)** → TRAINING SESSIONS AND TRANSFER OF KNOW HOW AT THE BASE AND SECOND LEVEL



MAIN CHALLENGES ENCOUNTERED:

- LACK OF INSTITUTIONAL, MANAGERIAL AND ECONOMIC RESOURCES OF FARMERS ORGANISATIONS WITH THEIR APEX INSITUTION (CTOP)
- LACK OF UPDATE TECHNICAL KNOW-HOW AND ENTREPRENEURSHIP SKILLS OF INDIVIDUAL FARMERS
- POOR FUNDING CONDITIONS AND CAPABILITIES OF MIs TO UNDERTAKE SUSTAINABLE LENDING TO FARMERS FOR INVESTMENT PURPOSES
- LACK OF KNOW-HOW ON MEDIUM AND LONG-TERM LENDING OF THE MIs
- INSTIUTIONAL AND MANAGERIAL WEAKNESS OF MFs



MAIN CHALLENGES ENCOUNTERED:

- LACK OF ADEQUATE COMPETENCIES (SUPPLY AND DEMAND SIDE) → TRAINING SESSIONS AND TRANSFER OF KNOW HOW AT THE BASE AND SECOND LEVEL
- LACK OF A COOPERATIVE CULTURE → TRAINING SESSION ON THE COOPERATIVE MODEL
- COOPERATIVE LAW ADOPTED ONLY RECENTLY → NEED TIME AND RESOURCES TO BE PROPERLY IMPLEMENTED
- LACK OF INTEGRATION OF THE COOPERATIVE SECTOR – AGRICULTURE AND FINANCIAL COOPERATIVE (Farmers, to the extent that they are members of a cooperative, and MIs members belong to the same social group and are expected to share the same cooperative set of values).