# 2SCALE

# **HIGHLIGHTS REPORT 2022**



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# Abbreviations and acronyms

2SCALE Toward Sustainable Clusters in Agribusiness through

Learning in Entrepreneurship

AAP Annual Action Plan

ABC Agribusiness Cluster

AfDB African Development Bank

Base of the Pyramid BoP вмс Business model canvas

Business support service

DGIS Directorate-General for International Cooperation

IAA Inclusive Agribusiness Advisor IDS Institute for Development Studies

IFDC International Fertilizer Development Center

ISFM Integrated soil fertility management

LIS Light Intensity Support M&E Monitoring and evaluation

MoFA Ministry of Foreign Affairs (the Netherlands)

MoU Memorandum of Understanding

**MSMEs** Micro, small, and medium enterprises

PMT Program Management Team PPP Public-private partnership PrC Partnership Resources Centre

R&A Reflect and Adapt Reflect and Consolidate R&E Reflect and End

RSM Rotterdam School of Management (Erasmus

S3C Sub-Sector Systems Change SACCO Savings and Credit Cooperative SMEs Small and medium enterprises

Strategic Workstream

USAID U.S. Agency for International Development

VSLA Village savings and loan association WUR

Wageningen University & Research

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# 1. Executive Summary

In 2022 the Russia-Ukraine war induced high inflation rates and food costs, leading to a major worldwide food crisis, with Africa being the hardest hit. Political instability and insecurity remained a challenge in Mali, Niger, Burkina Faso, Ethiopia, and Nigeria. The 2SCALE consortium strengthened their security policies and monitored the security situation in all countries continuously so that staff were not exposed to danger. However, the COVID-19 pandemic had less impact on our work in the field, as team members could travel easily.

Due to this world reality, our business champions could not invest in both value chain up and down streams, smallholder farmers and base of pyramid. As program implementors, we had to be adaptive with regards to our PPPs management. In some cases, the inclusive business idea had to be readopted, in other cases the lead business champion was changed. These changes were made through a careful and well documented assessment led by the country teams and the program management team. Additional adoptive measures were taken in response to the post conflict situations in South Sudan.

Despite these challenges, the Program implementation was much more intensive than in previous years. As a result, noteworthy results were achieved. Targets set for 2022 were met for all Universal Impact Indicators (UIIs). Even one of the pilot countries, South Sudan, was able to register results in terms of these indicators. Because of the high prices of essential agricultural inputs, such as fertilizer, business champions could not take out significant loans as expected. Despite the difficulties, most of them remained committed to their business ideas. Others sought new partners to invest in their public-private partnerships (PPPs). It is worth noting that the new reality of doing business has also led to a high demand for quality locally processed products. Thanks to the PPPs maturation, the relationship between the business champions and smallholder farmers was enhanced. As a result of this, business champions were able to meet their consumers' demand due to a consistent supply of good quality raw materials in quantity. Most of our business actors observed an increase in their turnover. This reveals how the 2SCALE approach effectively contributed to strengthening local agribusiness value chains and actors for sustainable food security in Africa.

As the program is getting close to meeting all the targets in terms of Universal impact indicators, the team is encouraged to consolidate the impacts and to harvest the stories behind the numbers. The stories will provide insights on the 2SCALE approach's



impact on the agribusiness actors we engage with. The collection of these stories will be a major focus in 2023 and 2024 as an integral part of our internal evaluation and the upcoming Impact Assessment Study of the program.

The program developed a rich and diversified portfolios of PPPs in different value chains initiated by Business Champions that have different size. The program considers the PPPs as a means to the end (achieving impacts under the 8 Ulls) and hence having these diversified PPPs will help in achieving the different target as different product groups and different size of business champions offer different opportunities. For Example, we have learned that PPPs in the animal-based product groups contribute significantly (53%) for the target in relation to improving the BoP consumers access to food. While the staples are by far the most important product groups for SHFs empowerment and promoting Eco -Efficient production practices. While the analysis of the result (as at the end of 2022) against the size of the business championed had revealed that PPPs led by large (in size) business champions are more suitable to contribute for BoP target, non-farm employment creation and MSME empowerment. However, PPPs lead by Medium and Small sized Business champions are best suited for empowering SHFs.

As an integral part of our activities consolidation and strengthening, 2SCALE seeks synergy with existing initiatives at national, regional and international level. For this purpose country teams were encouraged to engage with stakeholders for the strengthening and sustainability of program activities in the various countries. Collaboration with CARE was intensified, thanks to the country-focused Memorandums of Understanding (MoUs) that were signed in Mali, Niger, Burkina Faso, and Ethiopia. A USAID buy in program was secured to strengthen soil fertility related activities within 2SCALE PPPs in Niger. The program also collaborated with institutions such as



the African Development Bank (AfDB) to support business champions with access to finance. In 2023 and 2024, we expect to get more results of these partnerships.

2SCALE reached its 10-year anniversary in 2022. This was celebrated with a large event took place in Nairobi, with a focus on the anglophone countries. At the same time, six focus countries organized replication events at the national level. To promote the 2SCALE brand, colleagues attended numerous

international conferences and events in Europe and Africa related to inclusive agribusiness.

The program also launched and implemented its very first Global Youth Mentorship Program, which helped empower young colleagues. A second cohort will be launched and implemented in 2023. Given the financial constraints, a full team retreat was not possible, but country team reflection days took place with at least one PMT member participating.







# 2. ProgramOverview

### 2.1 Achievements

In 2022, the pandemic had less impact on the implementation of program activities. The 2SCALE program activities took place at a large scale in all focus countries. Full implementation of our activities was possible despite the security concerns in most countries. This led to numerous achievements

10-year anniversary celebration and replication events: In 2022, 2SCALE celebrated its 10-year anniversary with an event in Nairobi in June. This provided an excellent opportunity to explore the program's impact in anglophone countries. Subsequently, six 2SCALE countries organized national anniversary and replication events. During these events, the 2SCALE model was demonstrated to both public, private, and development institutions. The ABC approach was showcased with field implementation results, networks and partnerships were built, and BoP products were exhibited. A second large anniversary event will be held in Mali in December 2023 for the 2SCALE francophone countries.

Top-Up: In the second phase of 2SCALE, 12 more partnerships than originally planned were formed due to a high number of inclusive business ideas, involvement of more countries, and the COVID-19 pandemic, which had slowed the progress of the PPPs. As a result, the program pursued a funded extension to ensure that this second phase of 2SCALE delivers higher outputs while accomplishing more outcomes than were initially designed. This will close the funding gap caused by a necessary pivot in 2021 to respond to the pandemic. In addition, 2SCALE will have the time and resources to capture lessons learned, program impacts, and innovation successes to inform future programming. In September 2022, 2SCALE received a cost extension of €12.5 million to support program work to deliver higher impact.

Global Youth Mentorship Program: 2SCALE is implemented in 10 countries, with many young staff who started their careers with the program. Most of them have expressed an interest in being mentored by a senior colleague. As a result, the Global Youth Mentorship Program debuted in May 2022, with 22 pairs of mentors from consortium and partner organizations and mentees under 35 years old from 2SCALE staff. With a development plan, mentees shared their objectives and spent time with their mentors to discuss goal attainment. In support of cohort learning, master classes on topics such as leadership, interpersonal communication, mentorship style, and constructive feedback were hosted by outside experts and coaches. An online closeout event will be held in 2023.

MoUs: As the program draws closer to its conclusion, part of the exit strategy is to partner with like-minded programs and organizations to ensure sustainability. There is a great benefit in partnering with programs that work in the same value chains or thematic areas. As an example, the program signed an MoU with CARE about village savings and loan associations (VSLAs), and country teams for both organizations have connected and started working together. Another MoU with PUM gives 2SCALE actors access to seasoned professionals in areas such as food processing, operations, and finance at little to no cost. Exit Strategy: The program saw the first exits from PPPs in 2022. With support from iCRA, an exit guide was developed for the country teams to ensure a smooth transition to light-intensity support. As recommended in the Mid-Term Review, 2SCALE should not hasten to disengage from PPPs, and therefore, light-intensity support became crucial. The cooking oil PPP in Ethiopia was one of the first to transition successfully to lightintensity support.

**Extended Management Meetings:** A large program like 2SCALE requires elaborate planning and constant communication for success. In 2022, the PMT introduced Extended Management Team meetings to be held four times a year (two in-person and two online). This group includes Country Team Leads, thematic coordinators, and the PMT. These meetings have been instrumental in streamlining in-country work and sharing knowledge. Thus, the program has been able to solve or mitigate challenges more quickly and transfer the knowledge to the various PPPs.

End-of-year reflections: 2022 was a heavy implementation year for the program, with some of the first exits from PPPs. Therefore, country teams met to reflect on their portfolios and exit plans for each PPP. Each country successfully held a reflection workshop and some invited actors in the value chains that they work with. These reflections helped the teams to plan appropriately for the remaining PPPs, focusing on sustainability beyond the life of the program.

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## 2.2 Challenges and actions taken

A year of implementation does not come without challenges. The challenges and actions taken, where possible, are detailed below.

#### Political instability and insecurity:

Five out of the ten countries that 2SCALE operates in have experienced political instability and insecurity for some time and continue to do so: Burkina Faso, Ethiopia, Mali, Niger, and Nigeria. Armed conflict in northern Ethiopia, a coup in Mali, and kidnappings in Nigeria make up just a few of the incidents. This has created a situation that caused the program to close some of its partnerships. Furthermore, our Inclusive Agribusiness Advisors could not go to the field to implement or monitor activities. For example, the syndicate partnership on sorghum with Dansha Aurora and Setit Humera farmer cooperative unions were suspended due to political instability and war in the northern part of Ethiopia in Tigray.

Despite these challenges, the program has been able to achieve impact. There is little that can be done to change the situation, but creativity can provide some solutions. One of the MoUs 2SCALE signed during the year was with Lay Volunteers International Association (LIVA), which works with young returnees to Ethiopia. This allowed the Awash Olana partnership to work in areas where relative peace and security were prevalent. To this end, the prior focus districts have been changed by the business champion. However, engagements are made

to be complementary in these overlapping districts where 2SCALE focuses on organized cooperatives.

#### Change in or inability of the business champion to invest in the business idea due to internal and external factors:

During the year, several business champions were not able to meet the promised investments or their business idea changed. The effects of COVID-19 on the economy is still being felt, especially with the lack of rainfall for five seasons in countries like Kenya. Thus, some partnerships had to be closed. As an example, in Kenya, Prosoya soybean PPP could not manage to restructure its credit facility, which crippled operations. Businesses like NFL, Homerange, and Mhogo Foods had to review their business models and others opted to scale down or move to alternative products or services.

The East African Tiger Brands Industry (EATBI) maize PPP in Ethiopia was unable to upgrade its processing plant as initially planned. Although the partnership has significantly contributed to empowering smallholder farmers, creating economic opportunity for micro-entrepreneurs and employment for youth and women, and introducing green innovation in maize value chain, the BoP product the partnership intended to produce (i.e., a blended soy-maize food product) was not realized. In the end, the decision was made to close this partnership.

In Burkina Faso, since the SIATOL partnership was established in 2019, it has had challenges financing equipment for a factory. Over the last year, the project has made some progress. The complete set of factory equipment has been acquired and transported to Burkina Faso. However, the equipment has not yet been installed because the company is facing cash flow difficulties due to the high cost of the equipment, among other reasons.

However, the news not all negative. In Ghana, the Vester Oil PPP faced challenges because the business champion was not investing in the value chain, which compromised impact. Fortunately, another actor in the value chain who is much more active and has the financial ability to invest in the value chain has been identified. Currently, steps to onboard are taking place so that the program can continue to create impact in that value chain.

#### Lack of inputs:

While there have been varied levels of success in the partnerships, some have the persistent challenge of sourcing inputs. For example, in Kenya, seeds for the soybean and groundnut partnerships are scarce. The groundnut partnership has not managed to fully take off due to the unavailability of seed, despite the business champion showing a commitment to invest in farmer training and seed procurement. These two value chains have a wider challenge that can only be unlocked by regional and cross-border trade. Soy and groundnut are in high demand for food and feed but the supply from farmers in Kenya is highly limited, resulting in importation from across the eastern and southern Africa.

2SCALE's efforts in 2022 are slowly bearing fruit in the soybean and groundnut seed sectors through seed bulking in partnership with local seed companies and research institutions such as KALRO (soy, ENP) and Egerton University (groundnut, Batian Nuts). In Mali, sourcing of mineral fertilizer is a challenge. 2SCALE has urged stakeholders to turn to the industrial organic fertilizers developed by Eléphant Vert, Mali Engrais, and other local companies, as the cost of sourcing these fertilizers is lower.

#### Investment readiness of business champions:

One of the major challenges recognized while supporting SMEs and micro, small and medium enterprises (MSMEs) in the portfolio is the lack of or outdated business records. This has limited thriving SMEs and MSMEs from accessing credit and, in some instances, grants that would have positively impacted the growth of their businesses. In the last quarter of 2021, the program supported three business champions in Nigeria by coinvesting in firm auditing and financial/investment plan development.

NALMACO Nigeria Limited, Cato Foods, and Ladi & Lawani are champions leading the sorghum, cassava, and groundnut PPPs. The results from studies concluded in the first quarter of 2022 indicated several gaps, including leadership issues, lack of basic medium- to long-term strategic plans, poor business health, high transaction costs, and records that may not inspire outside investment either via credit or equity. 2SCALE support resulted in NALMACO Nigeria Limited investing in a new processing line, which has the capacity to process over 10,000 mt of maize into maize flour and grit. The line will cost over \$2 million to build and will be commissioned in the second quarter of 2023. Cato Foods and Ladi & Lawani used the report as a supporting document to negotiate a \$1 million credit facility from Sterling Bank in the last quarter of 2022.



## 2.3 Adaptive Management

Programs like 2SCALE that operates in a dynamic environment needs to have a clear and simple decisionmaking mechanism in response to marketing signals and macro and micro level trends affecting inclusion (both terms of inclusion of SHFs and terms of access to BoP consumers) and extent of the PPP actors competitiveness in the target market. The program over the years had developed the instruments/systems to embrace adaptive management of PPPs as an inherent element of the program. Adaptive management under 2SCALE principles can be viewed from two layers:

Adaptive management at PPP level: PPPs are set up based on an inclusive business idea of a business champion. The first step in the planning process/making decisions in the PPP set up/ is the Diagnostics and Design (D&D) process. This will allow to validate the business idea, develop impact pathways and identifying key intervention that contributes to both inclusiveness and competitiveness. After implementing the agreed interventions (for a maximum of 12 months), the Reflect and Adapt (R&A) process will help in validating the impact pathways, assessing the effectiveness of the interventions and measure the level of tension and risk within the PPP. This process will help in sharpening the next 12-month implementation strategy. This process will continue for 2 to 3 years depending on the life span of the PPP. Then Review and Consolidate (R&C) process help the PPP actors to measure the extent of the PPP maturity against the four key partnering capabilities (deliberative, alignment, fitting and transformative) as a measure of the sustainability of the relationship among actors and the competitiveness of the business model. The R&C process will identify the LIS activities for the PPP. All these processes in the life cycle of the PPP allows the actors to be flexible enough to make decisions in their best common interest.

Adaptive management of PPP portfolios: A three step portfolio analysis was carried out. First, all active PPPs were assessed against critical parameters - Potential and performance of the PPP, commitment of the business champion, potential for sustainability of the PPP after 2SCALE and Level of inclusion of the PPP. At the second stage a portfolio analysis at country level was developed. From these two analyses, the PPPs were categorized into different groups and country teams clearly defined the potential of the PPP if 2SCALE further invest additional resources. These bottom-up analysis were complimented by a third portfolio analysis at the program level. The program wide portfolio analysis was necessary to ensure that the program keep its philosophy and re-assure the program is well aligned with the strategic direction of DGIS. This process helped in developing a realistic target for the program.





## 2.4 Impact Progress

Universal Impact Indicators (UIIs)	Status as at end of 2022	Revised Targets to be achieved by End of 2024
UII 1_ No of BoP consumer with improved access to nutritious food	1,464,864	1,500,000
UII 2- Smallholder farmers have improved agricultural productivity levels and have better terms of inclusion	803,980	1,000,000
UII 3 _ Eco-efficient practices in Hectarage	425,069	500,000
UII 4 _ SMEs empowered	775	700
UII 5 _ Non-Farming Employment opportunity	20,000	25,000
UII 6 _ Number of micro-entrepreneurs connected to key business	16,007	15,000
UII 7_ Number of non-farm innovations increasing value chain efficiency	195	150
UII 8_ improved access to financial service (measured in Euro)	58,461,542	75,000,000
PSC_ Private Sector Contribution	17,340,000	65,000,000

Given the business environment, in 2022 2SCALE enabled 1,464,864 BoP consumers to access affordable food products from companies involved in 40 inclusive agribusiness partnerships. This represents an achievement rate of 97.7% of the target for the end of 2023 as well as the target for the extension period in 2024. The growth rate of BoP consumers impacted by 2SCALE of 63.7% over the 2021-2022 period was like that of the 2020-2021 period, which was 121%, with almost the same number of inclusive agribusiness partnerships (41). The program promoted market activation, which was combined with marketing communication and promotion, food products upgrading with a focus on quality, hygiene, small size for packages designed on attractive manner, expanding distribution networks and market channels, promotion of online trading, and contribution to development by the partners of local brands for food products. These interventions, out of many others in the specific context of PPP led to high level of consumption of food products by local BoP consumers. In addition, these growth rates confirm the maturity of the inclusive business ideas that have led to food satisfaction among BoP consumers. They also show the ability of companies involved in the agribusiness partnerships to be more resilient to shocks, such as COVID-19 and the Russia-Ukraine conflict.

The 2SCALE approach thus has had a positive influence on the resilience of inclusive companies operating in the food and nutrition system in the presence of shocks that have badly affected the economy. 2SCALE has empowered 803,980 smallholder farmers who have improved their productivity and access to the market. This represents an achievement rate of 107.2% of the target for the end of 2023 and 80.4% of the target for the 2024 extension period. The number of inclusive agribusiness partnerships contributing was 55, an achievement rate of 43.4%. 2SCALE supported these farmers to be part of agribusiness clusters and facilitated empowerment of producer groups, which are capacitated to improve production skills of their members. A network of agribusiness coaches supported by business support services, consultants and 2SCALE country team played technical advisory roles to smallholder farmers. Digital solutions to provide extension services and payments to SMFs motivated many of them to join ABCs. ABC actors worked also on access to quality inputs such as seeds fertilizers, and pesticides.

As in the case of BoP consumers, the maturity of the inclusive business ideas is confirmed by the ability of the companies in the partnerships to maintain an upward trend in terms of facilitating smallholder producers'. The shocks have not been able to disrupt the commercial relationships between value chain actors in the inclusive agribusiness partnerships. Rather, the partners have turned these into business opportunities. The maturity of the partners around the four partnering capacities promoted by 2SCALE has potentially played a role in the resilience to shocks and the ability of private sector enterprises to take advantage of business opportunities in a timely manner, thus facilitating the inclusion of vulnerable communities in the food and nutrition system.

Although the number of agribusiness partnerships contributing decreased from 51 in 2021 to 44 in 2022, the area on which climate-smart agriculture (CSA) practices took place was estimated at 425,069 hectares. This is an achievement rate of 113.4% of the 2023 target and 85% of the 2024 extension period target.

As in previous cases, the shock period saw the growth rates in CSA adoption rise above 81.6% for the period 2021-2022, with a slight decline in CSA adoption to a rate of 698.2% for the period 2020-2021. The program supported ABCs and key partners to access innovations and practices that led to soil health improvement and less pollution on the environment. It was the case of selecting specific crop varieties (such as Niger seeds in Ethiopia) that have positive effects on capacity of soil to resist to climate change. There was a promotion of locally made greenhouses that supported production of seedlings, and fodder (hydroponic in Nigeria) or introduction and use of organic fertilizers, composts, and equipment to fast track the transformation of organic materials to be accessible for plants. New commercial linkages created within the agribusiness partnerships that allow smallholder farmers to have more information on innovative CSA practices, the good results obtained by the first adopters of CSA practices, and the facilitation modalities created by 2SCALE explain the sustained pace of adoption. This strengthens the resilience of smallholder farmers who can protect their investments, respect their contractual commitments, and maintain their credibility with buyers.

To ensure the above results in the food and nutrition security system, in 2022 the 2SCALE program mobilized 775 inclusive SMEs, 246 more than the previous year, and 16,007 microenterprises in the agribusiness partnerships. Thus, the rate of achievement in the number of SMEs was 307.6% of the 2023 target and 109.9% of the 2024 extension period target. The rate of achievement for the number of microenterprises was 320.1% of the 2023 target and 106.7% of the 2024 extension target. The growth rate for SMEs over the 2021-2022 period was 42.7% compared to 898% over the 2020-21 period. For microenterprises, the growth rate varied from 65.7% in 2021-2022 to 158.9% in 2020-2021. Analysis of this data shows that private sector companies remain interested in and have embraced the principles of inclusion of vulnerable communities in their business model by adopting attitudes such as the private sector contribution to complement the resources provided by 2SCALE for its inclusion interventions.

Businesses have also increased the adoption of off-farm innovations since the start of the program to 195 innovations in 2022, representing 390% of the 2023 target and 112.7% of the 2024 extension period target. They also contributed to the creation of 41,991 new jobs, representing a 210% achievement rate against the 2023 target and a 168% achievement rate against the 2024 extension period target. This again confirms the willingness of the SMEs to improve the inclusiveness of their business models by working and/or creating enabling business conditions for vulnerable communities and value chain actors.

In 2022, notable progress was made in enhancing financial inclusion. A total of 268,798 smallholder farmers, including 118,509 females, gained access to financial services, surpassing the 2023 target by 108% and achieving 71% of the 2024 extension period target. Additionally, 6,699 microenterprises (including 3,588 female-led) and 369 SMEs (including 145 female-led) successfully mobilized finance, exceeding the 2023 target by 335% and 295%, respectively, and reaching 223.3% and 196% of the 2024 target. Through partnerships with organizations such as CARE INTERNATIONAL, access to finance for smallholder farmers was strengthened. Formal links with commercial banks and local financial institutions were established, facilitating credit opportunities through chain financing mechanisms. Financial literacy training modules covered various topics such as the VSLA model, financial management, savings, accessing finances, record keeping, and risk management. Moreover, co-creation efforts enabled businesses to prefinance smallholder farmers for inputs and provide working capital to aggregators and other value chain actors. The digitization of financial services, such as mobile money and online



## **BoP** marketing

Many activities took place under BoP marketing for the program portfolio. As mentioned, 40 partnerships reached BoP consumers with nutritious products. The following is a brief description of the work done. More information is available in the Annex on BoP Marketing.

Collaborate with business champions on nutritious product development and improvement of existing products

In 2021, 2SCALE focused on insight research to help inform champions on current market trends and needs. Results from those market studies were used for product development in 2022. Since some business champions did not have a clear and dedicated focus on nutrition, the program focused on increasing their awareness. As planned, 2SCALE collaborated with research institutions and individual specialists in program countries to ensure product development was achieved with the help of professionals.

For example, the cassava PPP in Côte d'Ivoire supported Ecoforp by connecting them to Nangui Abrogoua University to carry out nutritional analysis on its new Attieke Bonne Sante and Attieke Super range of products. Sweet 'n' Dried in Kenya contracted a nutrition scientist to develop six new variations of porridge mixes. These included porridge flour for weaning babies, diabetics, adults, and school children.

The program's goal is to ensure that our business champions put nutritious products into the market. Therefore, in 2022, 2SCALE partnerships successfully developed 23 nutritious products. These are entirely new products in several varieties as well as modified existing products. The next steps will be to expand market reach through various approaches for these products to increase sales.

#### Create appropriate branding and packaging

Based on the insights collected in 2021 for partnerships focusing on new product development, 2SCALE worked with business champions on translating these insights into inspiring branding and packaging for BoP markets.

In Ghana, the Rockland poultry PPP saw the finalization of its package and labeling acceptance by the Food and Drugs Authority and Ghana Standards Authority. It took a year and some months to conclude the package and labeling (branding) for the Akoko Tasty package of Rockland pre-cut chicken. Rockland now has a 10-kg package on the market, and a 1-kg package is to be launched to deepen BoP patronage. Packaging and branding with respect to chicken products came with a lot of hurdles and challenges. Key among them were labeling, brand name choice, and the halal processes. Under the poultry partnership in Côte d'Ivoire, three cooperatives were supported

to create visual brand identities as part of a behavior change campaign and market activation.

Another key success attained was the branded bags of syndicated business champions Nzara and



Eden cooperatives in South Sudan for maize flour, which were launched in December 2022 in Western Equatoria state. Other partnerships that generated new or improved packaging for products included NanAlim, InnoFaso, and Nebnooma (BurkinaFaso).

#### **Facilitate market activation**

The program was able to conduct 28 market activations across the various PPPs, compared to the 15 planned for the year. Some of the partnerships took advantage of the Christmas period to conduct mega-activations to ensure extensive patronage. For example, the SCARP poultry PPP in Côte d'Ivoire organized its mega-fair December 23-31 under the theme "7 poultry days." The fair, which brought together poultry farmers, eateries, and other allied partners, led to more than 3,400 consumers in attendance and over 18,000 chickens sold. Similarly, Cato Foods in Nigeria held a major activation in Bodija market to create awareness about its vitamin A-fortified gari and custard products in Oyo state (Ibadan North). The event was also used to identify new distributors and retailers. Elsewhere in Kenya, Equatorial Nuts Processors received support from June to December 2022, through a contracted BTL marketing agency, to develop a market for its porridge flour, Narisha. The activities included sampling at supermarkets and hospitals. Trade development to enhance product distribution was executed in three regions (Nairobi, Kisumu, Nakuru). A total of 3,902 kg of Narisha porridge flour was sold to the BoP market, and 18 youths (nine male, nine female) were involved in the sampling and distribution.

#### **Facilitate Last-Mile Distribution**

To ensure low-income consumers at the last mile are reached, 2SCALE supported some business champions in establishing a distribution strategy to reach their customers. The CME poultry partnership

# Two Complementary Products, One Goal: Joint Market Activation Yields results in Ghana

For the 2SCALE program, providing Base of the Pyramid (BoP) consumers with access to affordable, nutritious food remains a key priority. To build awareness on the availability of affordable and nutritious food products, market activations are part of the strategic approaches 2SCALE incorporates to build awareness and ensure that quality and nutritious products reach BoP consumers. More often than not, these activations are done for single products. However, in Ghana, the BoP Marketing specialist recently decided to kill two birds with one stone by running a joint market activation for two complementary products: rice and chicken. An inclusive rice processing company, Tamanaa Company jointly advertised and promoted its products together with an inclusive poultry processing company, Rockland Farms. The two companies are the Business Champions in the Tamanaa and Rockland Farms partnerships respectively.

In September 2022, a four-day marketing campaign was planned in which the two partners split the cost and space to display and sell their products. This market activation was held at the -Poku Trading Car Parkin Kumasi, Ghana. While Kumasi is in close proximity to the processing plant of Rockland Farms, Tamanaa-based in Tamale- saw this as a perfect chance to broaden the reach of the authorized dealer in Kumasi. Not only did this approach aim at co-sharing the costs incurred during individual marketing activations, it also provided a perfect opportunity for the two businesses to leverage/ tap into each other's customer base.

Consumers could purchase rice, chicken, or both during the joint activation. Over 5,000 fliers were printed and shared to members of the public by the two Business Champions.

For the Managing Director of Rockland Farms, Ms. Edith Wheatland, this joint market activation enabled her to achieve a goal she had set but had setbacks due to the costs of acquiring permits. She narrates:

"I have always wanted to do a market activation at Poku Trading, but the cost of the permit didn't make business sense to me. Getting the opportunity to achieve the same result at a lower cost is a good thing, and I look forward to more market activation collaborations with the Rockland brand."

While the two Business Champions have made strides to promote their products in the past, the joint activation resulted in tremendous sales made. Over 230 pieces of grilled chicken and 30 pieces of frozen chicken and gizzards were sold by Rockland Farms. For Tamanaa, 12,750 kilograms of parboiled rice ànd 1,575 kilograms of Brown rice were sold!

Such strides led to the creation of a lasting relationship between the two brands and the need to build even more networks as narrated by Mr. Shaibu Braimah, the Managing Director at Tamanaa:

"Consumers in Kumasi are quite familiar with the Rockland brand, whereas most people have never heard of Tamanaa. The sales were overwhelming, and it has fuelled our desire to expand our shops in Kumasi, where people are beginning to appreciate more of the local rice, particularly brown rice. Through the flyers that were shared, I have received calls from people who want to sell Tamanaa rice in their shops, and I am currently considering partnering with two of them."

In addition to directing customers to where they can get each of the products within Kumasi, an online sales application named Ghanafie foods <a href="https://ghanafiefoods.com/">https://ghanafiefoods.com/</a>- was launched. This application was developed to make it easy for customers to place orders online, and have them delivered instantly via courier. Via the application, one can purchase both or either product while in the comfort of their home!

For Ms. Agnes Anyawen, 2SCALE BoP Marketing Specialist in Ghana, the success of this approach was a win-win for all parties.

"This joint activation was a huge success as we were able to kill two birds with one stone. During my interactions with consumers, they commended the project for pushing the agenda for the consumption of Made in Ghana food products. Some customers were full of praise on the quality and branding of the local rice and chicken. I would recommend that other BoP marketing specialists replicate the same in other countries," she says.

While the coming together of these two brands was a success during the four days, it also led to awareness creation among local BoP consumers in Kumasi and surrounding locations on the availability of nutritious, locally produced, and affordable rice and chicken brands. This led to the growth of customer insights and particularly those at the Base of the Pyramid which is a key step in understanding their diverse preferences and matching their expectations.

in Ethiopia opened six sales outlets in 2022 close to consumers to ease product accessibility. The PPP also collaborated with an SME and rolled out a kebab roadside sales model in Hawassa, which was replicated in other towns in Ethiopia. Under the FCW PPP in Nigeria, 2SCALE supported Friesland Campina WAMCO to access remote communities with nutritious dairy products through the engagement of Fulani women cooperatives in Kwara, Oyo, and Osun states. However, the surge in the company's milk price led to a decline in the participation of the women's cooperatives, as they are unable to buy milk in large volumes to retail.

In Mali, Translait established mini-distribution centers to bring local milk and its derivatives closer to BoP consumers while increasing sales in the local market. These centers are essential in enabling easy movement of the milk to consumers. To further deepen access to BoP consumers of dairy products and fresh milk, Translait produced 20 branded pushcarts through a local manufacturer for use by milk resellers. Translait is now engaging local authorities to identify new sales points to expand. Nebnooma in Burkina Faso also engaged in exploring new sales point prospects in Ouagadougou, Bobo Dioulasso, and Koudougou.

#### **Develop Behavior Change Campaigns**

Misconceptions are a significant barrier hindering the adoption and uptake of products and services meant for the BoP. This issue is even more prevalent in low-income markets, where there is a low-level illiteracy and a wide range of beliefs about products are held. Thus, strategies were needed to demystify and drive acceptance of those products. Poultry meat was one of these products. Most African countries

have a poultry meat market that is dominated by foreign imported brands. Penetrating this kind of market means also that behaviors, opinions, and misconceptions must be realigned or changed. Five behavior change campaigns focused on healthier diets were carried out by poultry PPPs in various markets. In Côte d'Ivoire, farmer cooperatives were supported in outreach to selected sales points for sensitization campaigns on the value of chicken consumption and recipes. This activity resulted in expressed interest from seven new eateries to collaborate with the SCARP farmer cooperative.

Rockland used product freshness and wholesome taste as part of a behavior change communication tool to reduce the potential perceptions among Ghanaians. Several social media posts on Facebook and LinkedIn emphasized product freshness, Ghanaian origin, and wholesomeness to position it to compete against the imported brands. The message and visuals were disseminated through various mediums and communication materials and during activations.

Chico Meat Enterprise in Ethiopia used behavior change communications around a healthier diet to influence BoP consumers. Key among the strategies used were digital platforms, promotional materials, communications, and brand development. Most of the digital content made use of educational videos to drive the health aspects of the product.

Despite the efforts made in 2022 more work needs to be done to influence change in consumer behavior toward homegrown and locally processed products.





# Gender equality and women's economic empowerment



In 2022, the gender equality and women economic empowerment (GE-WEE) strategy had 11 main activities that were repurposed into four axes of implementation: (i) providing teams and BSSs the tools to identify and include women; (ii) increasing communication on generated impacts; (iii) capacity building in entrepreneurship for WEE; and (iv) gender mainstreaming.

During field workshops in Burkina Faso, Ghana, Niger, Mali, Côte d'Ivoire, and Kenya, BSSs, coaches, and Inclusive Agribusiness Advisors were trained on how to use a value chain inclusion and opportunity map, projection plans, and strategies to include more women with regard to the impact left to attain per PPP. In parallel, modules on good quality practices for processors, operations, supply management, and nine others based on business and community support for micro-entrepreneurs (also known as Aya 2.0) were successfully prepared and later tested in six countries within the maize, palm oil, soybean, rice, and millet value chains. A total of 130 women were trained in 2022 with this new curriculum, with at least two per country identified to hold the role of Aya ambassador, a position where they train other women as a source of revenue and to have more local women-led business support services.

During these field visits, the approach to gender mainstreaming was also reviewed to reduce misconceptions around gender equality, equity, and inclusion, as well as the program's aim when it comes to women's empowerment and the tools to facilitate implementation.

In Mali, Kenya, Nigeria, and Ghana, work was also done with the innovation, youth inclusion, and financial inclusion teams to ensure that proven methods, such has VSLAs and ensuring the community has support systems and the leadership to seize opportunities, were addressed specifically for women, especially young women, at the ABC level.

To improve the visibility of the impacts being made, six replication cases on access to land, win-win negotiations, improved seeds for women, and micro-franchises for women were written. One-pagers were written on the evolution of gender-inclusive activities since the program started in 2019 to reflect on the progress. So far, most impacts have been surpassed, with women leading 7,548 MSMEs and 224 SMEs, occupying 19,490 jobs, and representing 312,126 producers in the program.

The program's ability to do more follow-ups to support women-led MSMEs in growing their business is still lacking. A couple of initiatives will be piloted in 2023 using Aya, inclusive business ideas, and short accelerator projects to address that. The key lesson learned in 2022 was that, with resourcefulness and well-prepared teams, program implementation can be adapted to accommodate changes in budgets and local situations.

# Women's Only Cooperatives: Drivers of Inclusion in the Ethiopian Bean Sector

Access to formal financial services, either cash or credit remains a hurdle for most women in rural Africa. According to 2SCALE Gender Equality & Women Economic Empowerment Expert, Ms. Eva Sanou, one of the main reasons is because the financial system is risk-averse and thus requires guarantees of repayments such as land, buildings, assets, and other valuables before facilitating loan processes, even within the simplest forms of credit schemes.

"Women having reduced access to land -most of the time related to cultural reasons- and having to go through different processes to increase their earnings creates a major barrier when filling loan applications. Although different methods have been initiated to facilitate their access to finance, the gender gap is still pronounced in the agricultural sector. This is also accentuated by the lack of adapted financial products in this sector," she says.

With such challenges and others, promoting financial inclusion remains a key priority across 2SCALE partnerships.

It is important for 2SCALE to promote financial inclusion as it empowers men and women in increasing their earnings and understanding the economics behind their value chains. More than that, 2SCALE contributes to making access to finance more innovative for women. With these two metrics, real-time livelihood changes can be made and therefore reinforce 2SCALE's commitment to creating meaningful impact as a means to promote women's empowerment and lead gender equity-improving actions, adds Eva.

In Ethiopia, the partnership between Ras-Gayint Farmers' Cooperative Union and 2SCALE has facilitated empowering smallholder bean farmers and cooperatives through access to finance and financial services. During the first months of implementation, the participation of women in the bean partnership was found to be limited. This predicament is linked to among other factors, the shortage of working capital as well as limited access to financial institutions with products tailored for women. To ignite participation and empowerment of women in the bean value chain, Ras-Gayint Union and Lidet SACCO Union in partnership with 2SCALE committed to establishing women's savings and credit cooperatives. Lidet SACCO Union is a rural financial institution located in Nefas-Mucha town, close to where Ras-Gayint Multipurpose Farmers' Cooperative Union (MFCU) is based. So far, two credit cooperatives have been set up and supported under the Lidet SACCO Union, with a women-only clause on membership. The two are Addis Hiwot Women Saving and Credit Cooperative located in Simada-Mujja district and Enat Women Saving and Credit Cooperative in Lay-Gayint district. They currently have a total membership of 296.

#### A cooperative for the women, by the women

In December 2021, Enat Saving and Credit Cooperative was established with a membership of 115 women. They had an initial capital of ETB 23,600 (\$429). Currently, the credit cooperative has a membership of 156 women with a capital of ETB 58,500 (\$1084).

Interestingly, the birth of this cooperative came about from numerous requests that Lidet SACCO would get from local female traders and women-led MSMEs. The manager at Lidet SACCO, Mr. Alebachew Warkie explains:

We decided to set up credit cooperatives that can serve the specific needs that women in the beans value chain or with interest to be part of the value chain have. For most, access to credit facilities has been a hindrance and this is the reason why their participation in agriculture has been low. One of the savings and credit cooperatives we set up in partnership with the women is Enat Saving and Credit Cooperative. Enat, which means mother has a current membership of 144 women whose aim is to market and sell haricot bean.

One year after its establishment, members have been trained on financial management and savings mobilization. The women also meet on a regular basis to exchange and share ideas. Their end goal is to participate in the bean value chain and other trading activities to enhance their livelihoods.

One of the members, 32-year-old Askai Demissie explains:

"Since we joined Enat Saving and Credit Cooperative, we now have knowledge on how to save and grow our savings, we have developed a fixed savings schedule and so far, each of us has saved ETB 1800 (\$33). This for us is a good step towards ensuring that we can grow our savings to a point when we can get a loan from Lidet SACCO Union."

26-year-old Kasaye Endalew, another member of Enat Saving and Credit Cooperative is grateful that Lidet not only heeded their call as women with an aspiration to grow their finances but also provide a meeting space for the women to hold meetings. She explains:

"I am a trader in the local market and mainly sell fresh farm produce. Joining Enat Saving and Credit Cooperative has been of great benefit because I now keep track of my expenses and ensure I have some left to save. As a trader, the main reason I joined Enat Saving and Credit Cooperative is that it will enable me to expand my business and even get market linkages to grow further. We are grateful to Lidet SACCO Union and 2SCALE for making this possible. Lidet even provides a meeting space where we meet on the 29th of each month to share ideas and make monthly contributions."

#### Social fund: More benefits for the members' families

Still in its infant stage, Enat Saving and Credit Cooperative has had a transformative impact in the current and future lives of these women. Some have also opened accounts for their children. They thus contribute some additional money under their children's names and accounts. This is a social fund aimed at saving for their university education. The money can also be used in the case of medical emergencies.

Kasaye Endalew is a mother of two and is among the members who have started saving for their children's university education through Enat Saving and Credit Cooperative.

"I am happy that through our deliberations as women, we saw it fit to start saving for our children's education through Enat Saving and Credit Cooperative. The money that we save gets a 7% interest per month meaning by the time our children get to university level, we will have saved enough, and it will be possible for them to join university without the limitation of school fees," she says.

While this initiative will help women to easily access finance, it provides opportunities for them to engage in the bean value chain as well as other businesses, without the limitation of access to working capital.



### Youth inclusion

In 2022, 2SCALE focused on scaling and equipping youth with basic social and business skills aligned with the market needs of participating PPPs and value chains, as well as nurturing youth entrepreneurial and leadership capabilities. The program implemented interventions to enable youth to identify concrete PPP market and employment opportunities based on their interests, passion, and aspirations.

Other interventions included increasing the technical capacity of country technical teams to implement the youth mobilization strategy and training ABC and BSS coaches, enabling them to engage more youth with coaching and mentorship support and to facilitate entrepreneurship and business skills development, including access to finance. By expanding youth employment and entrepreneurship support in agribusiness partnerships, 2SCALE is able to improve the capacity and ability of all PPPs to attract youth in new off-farm jobs and entrepreneurship and facilitate access to additional financial services and products.

As of December 2022, 25,126 non-farming jobs in targeted ABCs and value chains had been created, with 11,067 young women and 14,059 young men benefiting. Partnerships involved 7,724 micro-entrepreneurs/SMEs, including 3,227 young females and 4,498 young males. Furthermore, the program assisted 101,366 young small-scale farmers, including 54,233 young females and 47,133 young males, as well as 3,210 youth-led MSMEs involving 1,659 young females and 1,551 young males, in accessing additional financial services.

The 2SCALE Youth Digital Platform was developed and deployed, providing youth with soft and technical skills, networking, peer education and access to market for employment, and business opportunities in the agro-industry and food sector. One of the key lessons learned is that when new agricultural innovations in PPPs are mechanized or digital and come with a monetary performance or quality-based incentive, young people are more likely and willing to adopt them (e.g., loyalty programs and incentives for youth to engage more in supply chain and other value chain activities).

Key areas for more attention include:

- 1. Scaling support and services provided to increased numbers of youth-led MSMEs as they grow (tailored supporting package as youth engage with the business champion).
- 2. Enhancing agriculture mechanization and digitization practices in PPPs to accelerate youth-led digital services and adoption of new innovations and technologies.
- 3. Providing tailored youth coaching and mentorship to assist youth in identifying and addressing key business challenges and finding appropriate solutions on their own and reinforce youth learning.



# From lawyer to poultry farmer: A young Nigerien finds his passion in the poultry business

In Niger, more and more young people are turning to entrepreneurship. In an unfavorable socio-economic context, no one can guarantee the success of a young entrepreneur who starts from nothing. However, some young people are ready to face all the challenges to succeed in the activities they are passionate about. Abdoul Moumouni Rabo Bachir, 28 year old Nigerien is one of these brave youths. With three other friends, young Bachir runs a small business called POULETS DU PAYS whose main activity is the processing and distribution of poultry.

A graduate in business law, the young Bachir decided a year ago to pursue his passion to develop his own business. Today, POULETS DU PAYS markets several products made from local chicken, greatly contributing to satisfying the ever-increasing needs of the Nigerien population for poultry meat.locally produced, and affordable rice and chicken brands. This led to the growth of customer insights and particularly those at the Base of the Pyramid which is a key step in understanding their diverse preferences and matching their expectations.

Bachir's passion for entrepreneurship came from the training sessions of the 2SCALE program in the scope of youth inclusion. According to him, even if he had long nurtured the idea of entrepreneurship, the training received through the 2SCALE-NUSEB partnership catalyzed his decision to devote himself to his passion. These trainings awakened in me the entrepreneurial spirit and allowed me to know the practices to follow to have the qualities of a good leader.

At the very beginning of his business, the young man could not count on the support of his parents who hoped to see him, one day, as a great business lawyer. Due to lack of means, he was forced to reduce his entrepreneurial zeal and not to implement other ideas. But his love for the poultry business remained intact, as he was very confident of his choice. Gradually, his company managed to build a business relationship with our business champion NUSEB. Indeed, a commercial collaboration agreement was signed between NUSEB and Poulet du Pays concerning the supply of processed broiler chicken to Poulet du Pays. This agreement, although it guarantees the first purchase from NUSEB, does not prohibit Poulet du Pays from sourcing live chicken from local markets, through its network of nearly 3000 producers and intermediaries (mostly young people and women across 3 regions of Niger, namely: Tillabéry, Niamey and Dosso) in case of high demand or in case of unavailability at NUSEB.

It is through this connection that he had to participate in several trainings organized by 2SCALE and have a supply contract with NUSEB.

Very quickly, his family and friends became aware of his unbelievable performance and the success he was achieving. He says: "our ambition is to provide the Nigerien population with good quality products and also to create thousands of jobs for women and young people especially in rural areas through the production, collection and marketing of poultry. For this, it is necessary to serve the main arteries of the Nigerien market through the creation of other points of sale and research cooperation with restaurants, hotels and large food stores."

Starting from scratch, POULETS DU PAYS has set up a value chain composed of a cooperative that works to support women in poultry production in 80 villages. It has also set up a distribution company for processed poultry with several actors. He recounts:

Our work style has improved a lot. We've gone from 50 to 300 regular customers (who buy at least four times a week), which we expect to increase fivefold by the end of this year.

Poulet du Pays' approach is simple - going from village to village and identifying youth or women who are interested in poultry farming. It offers its services to youth and women and builds their capacity (improving productivity, setting up a farm and production unit) to create poultry cooperatives.

"During a survey in a village, a widow, mother of several children, became very interested in what we are doing. Today she is our focal point and the head of a flock of hundreds of heads that allows her to support herself and take care of her children. My biggest dream is to create a group that cannot be ignored in the distribution of poultry, with more than fifty sales outlets throughout Niger and in the sub-region,"concludes Bachir.



The financial inclusion goal for the end of December 2023 was to reach 250,000 smallholder farmers and 125 SMEs and producer organizations and to attract and/or mobilize additional private sector finance of €50 million.

Progress to date has been impressive – but given the scale of the challenges, it is important these efforts be continued. In consultation with both the supply side and demand side of finance, a concept note was developed for light-intensity support for PPPs from both 2SCALE Phase I and II. The concept, now under implementation, seeks to build on the deal pipeline already created and build sustainable and inclusive financial service relationships centered on the smallholder farmer to accelerate the impact through generating income and employment and contributing to food and nutrition security among the poorest households.

Loans of more than €12.9 million were disbursed to SMEs, farmers, and cooperatives in 2022 as a direct result of 2SCALE facilitation. More than 21,000 farmers benefited from credit and other financial services. Several financing arrangements used by 2SCALE partner firms are replications of proven financial models to deliver loans to small-scale farmers. For example, in Ghana, Côte Ivoire, and Kenya, 2SCALE partner firm CARE's innovative platform Chomoka is designated as digital solution provider for VSLAs. The platform will disburse farm loans through these VSLAs, benefiting nearly 6,000 smallholder farmers. In Kenya, the producer organization MDU received a \$1.47 million line of credit from banks and \$0.18 million for onward lending to farmers.

In each country, 2SCALE teams not only connect producer groups and businesses to lenders, but also work with lenders to develop new financial products tailored to a group's specific needs. For example, in 2022 Ras-Gayint Union accessed a total of ETB 150 million in working capital loans from different financial institutions – ETB 70 million from Abay Bank and ETB 80 million from Saving and Credit Cooperatives (SACCOs; ETB 30 million from Lidet and ETB 50 million from Rib SACCO Union). In addition, Lidet SACCO has provided an ETB 5 million loan for Ras-Gayint Union-affiliated cooperatives to aggregate green bean varieties from smallholder farmers.

A key factor in these successes is the support the program receives from strategic financial partners. IFC, AfDB, Rabo Foundation, Root Capital, AgriFi, IDH Farm Fit, the Netherlands senior experts (PUM), and others who provide expertise in specific areas, enabling 2SCALE to successfully address major (and long-standing) challenges. The 2SCALE financial inclusion strategy also aligns field activities with those of other donorfunded projects to minimize duplication and increase impact. For example, the program coordinates with the several U.S. Agency for International Development (USAID)-funded projects in West Africa, targeting resources to the same industry but in different (sometimes complementary) geographical areas, or to specific value chain segments. For example, the Dutch Fund for Climate Development, and IDH Farm Fit in Nigeria support the oil palm partnership through action-research on investments and interventions in input supply systems.

# Fostering financial inclusion through the promotion of Village Savings and Loans Associations (VSLA)

Promoting the financial inclusion of local communities, especially youth and women, through local savings and credit management mechanisms has proven to be a viable mechanism of empowering smallholder farmers. That is why the Village Savings and Loans Associations (VSLAs), organized around the mobilization of capital, the management of savings and credit by the local communities themselves, are strongly promoted within the 2SCALE partnerships. In Burkina Faso, in our rice and maize partnerships (Nebnooma and Agroserv), VSLAs are progressively being set up and constitute in part a tool to satisfy the financial needs of the farmers. and matching their expectations.

#### Towards simplified access to savings and loans

The goal of improving financial services in rural areas has led to the development and widespread use of village savings and loans associations (VSLAs), which provide savings services as well as insurance and credit for low-income populations in rural and peri-urban areas.

Savings and loans are essential for smallholder farmers to manage unforeseen situations and continually invest in their farms. However, the current conditions of access to savings and credit from financial institutions do not favor low-income rural communities, especially small agricultural producers. Given this fact, the VSLAs built around local dynamics contribute to promoting access to financing that meets their needs.

Within the Sababou GNOUMA VSLA in the rural commune of Bama (Region of Hauts-Bassins), whose economy remains strongly dependent on the production of rice, Mrs. SAWADOGO Koritimi, rice producer, confided us as follows: "After training on the advantages and the methodology of implementation of the VSLAs organized by the 2SCALE program, I was motivated to create a VSLAs group called (Sababou Gnouma) composed of 25 women. The basic idea was that we, as young women producers and sellers of rice in the locality of Bama, encountering difficulties of access to financing for our rice activities, have a mechanism of saving and credit to finance ourselves. Today, my peers and I are really satisfied. The success of our activities has created a strong demand for membership from other women rice producers. These requests led to the creation of another VSLAs group (Allah Baraka) also composed of twenty-five women."

In the locality of Andromane, even if the women producers had already heard about this financial product, the support of 2SCALE facilitated a better understanding. Mrs. KINDO Safoura, secretary general of the Naboinswendé group, which produces maize, explained:

We have known about VSLAs through the credit union networks. However, the 2SCALE program has helped us to become more aware of its operating principles and has generated more interest among members. VSLAs are therefore a locally accessible avenue for access to savings and credits, as explained by ZOROME Neymatou and KINDO Azèta who both benefited from credits to set up income generating activities in addition to their maize production activities.

"Thanks to this group, I was able to obtain a loan to start my small business selling loincloths and women's clothing", said Neymatou.

In total, there are more than 70 women involved in the rice partnership VSLAs and more than 100 women in the maize partnership of which 60% are under 35 years old.

#### Mutual trust and respect of the functioning rules

The success of the VSLAs is underiably based on the trust between the members and the respect of its functioning principles. In order to avoid crumbling, the members of the VSLAs Sababou Gnouma and Allah Baraka in the localities of Bama and Nongtaba, Naboinswendé and Wenkonta in Andromane, have developed operating mechanisms to ensure sustainability. These mechanisms are related to the governance of the associations and the security of the funds that are mobilized. As for the issues related to the mobilization of capital, the amount of savings, credit, interests, the modality of distribution of savings, loans, reimbursements and sanctions to indelicate members are decided in a consensual way. Mrs. SALGO Lizeta, rice producer and member of the VSLAs Allah Baraka testifies:

Members who do not have valid reasons justifying their absences to the meetings are obliged to pay up to one thousand francs. This is a dissuasive measure that favors the optimal functioning of the VSLAs.

#### A solution for mutual aid and social cohesion

Beyond its main objective of providing an integrated global mechanism of savings and credit to its members, the VSLAs within the rice and maize partnerships are strongly involved in developing a mutual aid facing the problems and the social events that their members meet. To this end, a solidarity fund has been set up in order to constitute a support fund. Within the VSLAs Nongtaba, Nabonswendé and Wenkonta, the amount collected to support this is 50 francs during the regular meetings.

Today, all the VSLAs of the locality of Bama and Andromane are involved in a process of formalization of their associations. In the long-term, they intend to move from a purely informal activity to more formal financial services. The members of these associations consider this as an opportunity to access vital financial credits. The 2SCALE program, by facilitating the implementation of the VSLAs within the rice and corn partnerships, positions itself as a key player in the promotion of financial inclusion.

