

G20 Roundtable on Innovations in Agricultural Finance

SEPTEMBER 9, 2015 | ANTALYA | ROOM: PACIFIC II

Agenda		
08:00-08:30	Registration	
08:30-08:45	Welcome	Aysen Kulakoglu (GPMI Co-chair, Undersecretariat of Treasury, Turkey)
08:45-10:30	Setting the Scene Panel discussion on innovations in agricultural finance: why is agricultural finance important?	<u>Moderator/Master of Ceremony:</u> Matt Gamser (IFC) <u>Panelists:</u> Susanne Dorasil (BMZ) Metin Akman (Tusiad Board Member) Clay O'Brien (GPMI Co-chair, Department of Foreign Affairs and Trade, Australia) Masum Burak (Director General for Agricultural Research and Policies, Ministry of Agriculture, Turkey)
10:30-11:00	Coffee Break	
11:00-12:30	Two parallel break-out sessions:	
	Session 1: Innovations and Emerging Trends in Agricultural Insurance	<u>Input:</u> Ulrich Hess (GIZ) <u>Moderator:</u> Panos Varangis (IFC/WB) <u>Discussant:</u> Sonu Agrawal (Weather Risk Limited, India) Sandra Louiszoon (Ministry of Foreign Affairs, Netherlands)
	Session 2: Understanding Demand, Driving Innovation: Smallholder Households and Financial Inclusion	<u>Input:</u> Jamie Anderson (CGAP) <u>Moderator:</u> Hans Bogaard (Rabo Development) <u>Discussants:</u> Anushka Ratnayake (myAgro, Mali) Mwombeki Baregu (Financial Sector Deepening Trust, Tanzania)

12:30-14:00	Lunch Break	
14:00-15:30	Three parallel break-out sessions:	
	Session 3: Digital Financial Services – Developments in Serving Smallholder Farmers	<u>Input:</u> Michael Tarazi (CGAP) <u>Moderator:</u> Rewa Misra (MasterCard Foundation) <u>Discussant:</u> Christine Martin (USAID)
	Session 4: New Trends in Financing Agricultural Value Chains – Promising Practices and Emerging Recommendations for Policy Development	<u>Input:</u> Rauno Zander (Consultant) <u>Moderator:</u> Roland Gross (GIZ) <u>Discussants:</u> Calvin Miller (FAO) Lamon Rutten (CTA)
	Session 5: Financing to Support Women in the Agricultural Sector	<u>Input:</u> Panos Varangis (IFC/WB) <u>Moderator:</u> Anna Gincherma (WWB) <u>Discussants:</u> Victoria Zinchuk (EBRD) Khalida Bouzar (IFAD)
15:30-15:45	Coffee Break	
15:45-16:30	Plenary session Session 2-5 reporting back to the plenary	<u>Moderator:</u> Matt Gamser (IFC)
16:30-17:15	Closing Panel What are the major innovations and which way do we have to go to make best use of these in order to solve the problem?	<u>Moderator:</u> Matt Gamser (IFC) <u>Panelists:</u> Anna Gincherma (WWB) Anushka Ratnayake (myAgro, Mali) Greta Bull (CGAP) Njuguna Ndung'u (Professor, former Governor of the Central Bank of Kenya)
17:15-17:30	Wrap-Up and next steps	<u>Moderator:</u> Matt Gamser (IFC)



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The **Outcome** of the roundtable will be a **synthesis report** on new trends in agricultural finance. As a first follow-up, the outcome of the discussions will be included in the papers presented. Based on the final papers, a synthesis report will be produced that links the five thematic topics to previous work on agricultural finance by the G20, namely the 2011 and 2012 reports.

Session 1: Agricultural Insurance. The paper aims at reviewing the types of risk arising in agriculture and the ways in which they are managed by farmers. It reveals the difficulties and costs that covariate risks pose, especially those leading to catastrophic loss of livelihoods and assets. Past attempts to assist farmers manage risks have been costly and ineffective; hence, interest in index insurance products has risen. Yet index insurance has taken off in very few developing countries only, notably India. Some see the primary problems on the supply side, while others see a more fundamental lack of demand. At the same time, emerging trends on the policy side as well as innovative delivery and insurance settlement technologies might be game changers when it comes to transaction costs and therefore smallholder access. Resolving this debate is necessary to decide whether index insurance should be promoted by the public sector.

Session 2: Understanding Demand, Driving Innovation: Smallholder Households and Financial Inclusion. Drawing from financial diaries with smallholder households in Mozambique, Tanzania and Pakistan, this paper presents 2015 data on the financial and agricultural lives of smallholder families. After framing the issues, the paper shares preliminary results on inter alia income sources, expenses, financial tools, risk management, and mobile phone usage among sample households, outlines opportunities to innovate, and points to relevant policy considerations.

Session 3: Digital Technology, Financial Services, and Smallholder Farmers. This paper explores the role of digital services in promoting the welfare of smallholder families. The paper outlines current uses of digital platforms – both for informational purposes (weather, planting tips, market prices, etc.) and financial purposes (payments, insurance, e-warehousing). The paper then highlights challenges and benefits of digital applications before concluding with some policy considerations.

Session 4: Value Chain Finance. This session bases on a study recently mandated by GIZ. The study provides policy makers, practitioners and other relevant stakeholders with practical recent insights on recent trends in agricultural value chain financing and highlights successful and promising approaches: what works, what does not work and why? It examines formal as well as informal, bank-based and non-bank based financing models for agricultural value chains.

Session 5: Financing for Women in the Agricultural Sector. This paper explores issues around access to financial services by women involved in agricultural activities. The paper starts by examining the role of women in agriculture and presents the opportunities for financial institutions in targeting women as a new client segment. Understanding women's financial needs, suitable product selection and design, use of appropriate marketing channels, providing financial education, are all important ingredients in providing financial products to women in agriculture. The paper presents cases from projects in Latin America, Africa and Asia to highlight these points.

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