



**USAID** | **GHANA**  
FROM THE AMERICAN PEOPLE

# Quarterly Progress Report #2 (January-March 2014)

FINANCING GHANAIAN AGRICULTURE PROJECT  
(USAID | FinGAP)

**April 2014**

This publication was produced for review by the United States Agency for International Development/Ghana mission by CARANA Corporation.

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(USAID | FINGAP)

APRIL 2014

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# ACRONYMS & ABBREVIATIONS

AOD	Agribusiness Opportunities Development (Unit)
ATT	Agricultural Technology Transfer (Project)
BAS	Business Advisory Services
COP	Chief of Party
COR	Contracting Officer's Representative
DCA	Development Credit Authority
EAT	Enabling Agricultural Trade
EDAIF	Export Development and Agriculture Investment Fund
EMMP	Environmental Mitigation Monitoring Plan
FinGAP	Financing Ghanaian Agriculture Project
FSSU	Financial Sector Support Unit
FtF	Feed the Future
GAIP	Ghana Agricultural Insurance Pool
GAX	Ghana Alternative Exchange Market
GCAP	Ghana Commercial Agriculture Project
GOG	Government of Ghana
GSE	Ghana Stock Exchange
LPG	Loan Portable Guarantee
M and E	Monitoring and Evaluation
MOU	Memorandum of Understanding
NBFI	Non-Bank Financial Institution
OCAT	Organizational Capacity Assessment Tool
PFI	Participating Financial Intermediary
PPP	Public Private Partnership
RCB	Rural Community Bank
RFA	Request for Applications
RING	Resiliency in Northern Ghana
SASL	Sinapi Aba Savings and Loans
SBA	Small Business Administration
SEC	Securities and Exchange Commission
SMiLEs	Small Medium including Large Enterprises
STTA	Short Term Technical Assistance
TA	Technical Assistance
USAID	United States Agency for International Development
USG	United States Government

# EXECUTIVE SUMMARY

Access to finance remains a significant obstacle for the development of agribusiness in Ghana. Improvements to Ghana's lending infrastructure and strengthened communications between financial institutions and agribusinesses can support increased productivity of staple food crops, significantly reducing Ghana's food security risk while positively impacting the country's economy. During the second quarter, the USAID Financing Ghanaian Agriculture Project (USAID-FinGAP) facilitated \$541,000 in financing from three PFIs and one agro-input dealer to six project-qualified SMiLEs in the maize, rice and soy value chains, achieving approximately 11% of USAID-FinGAP's FYI target. The first in a growing pipeline of deals, these achievements are driving growth at multiple points along the target VCs, including processing capacity, storage facilities, and quality control from farm to fork. The long-term improvements that these deals engender are assured by USAID-FinGAP's collaborative focus. By leveraging ties and resources with other USAID FtF projects including ADVANCE and GCAP, USAID-FinGAP is positioned to have an exponential positive impact on Ghana's rice, maize and soy value chains, as well as its finance sector.

Demand-driven development is a cornerstone of the USAID-FinGAP methodology. In the first quarter, the Project conducted a training needs assessment on target PFIs to gather baseline information on their strengths and needs. This quarter, USAID-FinGAP developed this information into a "training menu" and circulated it among PFIs for indication of their top-most training needs. These results will form the basis of Project PFI training programs. USAID-FinGAP has already received its first formal request for training.

To complete the lifecycle of financing between SMiLEs and PFIs, USAID-FinGAP is growing a network of Business Advisory Service (BAS) providers to link needs and resources in Ghana's agribusiness community. By the end of March 2014, USAID-FinGAP had engaged 12 BAS providers through MOUs and begun issuing subcontracts in support of deals between project-vetted SMiLEs and PFIs. The project additionally held trainings on deal facilitation and environmental impact mitigation, and rolled out a second RFP to expand its BAS network over Y1. At the writing of this report, five BAS providers had been subcontracted to the USAID-FinGAP project and had begun facilitating deals.

As a Feed the Future (FtF) project supporting Ghana's Partnership for Growth (PFG) Joint Country Action Plan (JCAP), USAID-FinGAP continues to provide support to Government of Ghana (GOG) initiatives driving financial sector reform and the extension of SMiLE infrastructure and services.

This report covers the implementation activities of USAID-FinGAP for the period January to March 2014. The key activities and results of the project within this period are:

1. **Project Launch:** USAID-FinGAP was formally launched on 21 January 2014 in Accra by Ghana's Minister of Food and Agriculture Hon. Clement K. Humado, and the USAID Mission Director Jim Bever. The launch attracted over 120 public and private sector stakeholders in Ghana's agricultural and financial sectors.
2. **Financing Facilitated:** USAID-FinGAP facilitated USD 541,000 in financing to six SMiLEs in rice, maize and soy.
3. **Targeting the Investment and Finance Community:** USAID-FinGAP undertook a number of outreach programmes to promote dialogue within Ghana's finance and investment communities over opportunities to increase agricultural lending, including visits to 17 Rural and Community Banks (RCBs) and a credit union in Ghana's three northern regions. The responses have largely been positive; Ghana's Export Development and Agriculture Investment Fund

(EDAIF) welcomed the project as a preferred partner for building capacity and efficiency within its own loan, grant and equity programming for agribusiness SMiLEs.

4. **Online Investment Assessment Tool:** USAID-FinGAP aggregated existing data on rice, maize and soy production rates among Ghana's northern regions to feed an online interactive investment mapping and simulation tool. The developer for this software was identified and engaged this quarter.
5. **Request for Proposal (RFP) from BAS providers:** A second RFP to engage an additional 7 to 15 BAS providers in the Project's network was issued in March. At the close of this reporting period 16 of the 55 solicited providers had responded, and their proposals taken under review.
6. **Incentivizing Financial Institutions:** To help PFIs increase agricultural lending to agribusiness SMiLEs, USAID-FinGAP has designed a variety of incentives aimed at reducing the risk of lending while appealing to both the lender and the borrower.
7. **Collaborating with USAID-DCA:** In March 2014, USAID-FinGAP and USAID/Ghana hosted Development Credit Authority (DCA) Investment Officers to assess the DCA program in Ghana and identify opportunities for partial and portable guarantees. The Project facilitated meetings between the DCA team and select PFIs and SMiLEs as well as the donor agencies AfDB and DANIDA. With input from USAID-FinGAP, the DCA team considered Premium Foods Ltd., Nuts for Growth Ghana Ltd., Golden Web Ltd., AFGRI (local reps of John Deere) and Ghana Agricultural Insurance Pool (GAIP) for potential portable loan guarantees.
8. **PFI Network Expanded:** The project signed 12 additional financial institutions into its PFI network, expanding the Project's reach and increasing its impact potential. At the end of March 2014 the USAID-FinGAP PFI network included five impact investors, five RCBs, two universal banks, two savings and loans companies, two NBFIs, one financial NGO, one credit guarantee company, one credit union and one insurance company.
9. **Small Grants Facility:** A first Call for Proposal was advertised to solicit grant applications from SMiLEs, PFIs and BAS providers seeking support for institutional capacity building, design and execution of research and surveys, and development of new financial products. At the writing of this report, 6 proposals had been evaluated by the Grants Evaluation Committee.
10. **Partnership For Growth: Developing JCAP**
  - a. USAID-FinGAP worked with the GOG Credit Team designated under JCAP to assess the JCAP Year One work plan, prepare its Year Two work plan, and review data on Ghana's SME credit sector. The results were presented to JCAP's Joint Steering Committee, and the Project is currently awaiting further guidance to provide intermittent STTA support for the M&E component.
  - b. USAID-FinGAP's report of the GOG PFG Task Force meetings with the United States' Small Business Administration (SBA) in Washington, D. C. in December 2013 was presented to USAID/Ghana early in 2014 with recommendations to expand the terms of Goal 5- Encourage development finance and support small and medium enterprise (SME) access to finance.
  - c. The Project is in discussions with the IFC over its proposed GHS 2 billion (approx. USD 700 million) bond and ways that SMiLEs can utilize it to access long-term financing along USAID-FinGAP target VCs. At the writing of this Report, the IFC had not determined the date for issuance.
  - d. USAID-FinGAP researched expanding SMiLE access to credit via corporate bonds, GAX equity listings, and long-term government bonds and began developing activities aimed at bringing price discovery to debt instruments and lowering funding costs.
11. **Monitoring and Evaluation:** USAID-FinGAP submitted and received approval for its Performance Monitoring Plan (PMP), a key deliverable that will both inform and track Project activities over its five-year life span. A significant component of USAID-FinGAP's work is the

release of up to USD5M in financing to SMiLEs along the target VCs through grants and subcontracts. To maximize the Project's efficacy and efficiency in accurately formulating and tracking these deals, USAID-FinGAP began developing a customer relationship management (CRM) software with an experienced software provider. This tool will extend access to real time information on business networks, deal execution and overall project performance to USAID-FinGAP staff in the field and CARANA's home office, improving overall productivity.

12. **Communications:** Pursuant to its Communications Plan, USAID-FinGAP submitted a proposal for an investment promotion website which is currently under consideration. Communications is a significant component of promoting investment in Ghana's agriculture sector; a website provides a platform for informing and connecting with local, regional and international stakeholders over relevant issues, and improving the quality of relevant information available to the public. If approved, the website will also host the online investment mapping tool through the Project close.
13. **Environmental trainings:** USAID-FinGAP staff, BAS providers and SMiLEs were trained on USAID's environmental review process, a necessary component of receiving support from USAID-FinGAP. Participants received instruction on the broader environmental aspects of agribusiness and financing, and were trained on use of the Project's Environmental Review Forms (ERFs) and the roles of each party (Project, BAS provider, SMiLE and PFI) in completing the process. Of the 12 SMiLEs screened to date, only one qualified with a negative determinant and was subsequently advised on appropriate mitigation measures to meet project standards.
14. **Gender:** In a meeting with the IFC in Washington, DC, USAID-FinGAP explored areas for joint collaboration to support improved access among female SMiLEs to agribusiness finance and investment. Possible areas of future collaboration include supporting Ghana's banks to design lending products exclusively targeting female-run agribusinesses, and leveraging IFC's online entrepreneurship training materials geared towards female entrepreneurs.

## BACKGROUND AND STRATEGY

The USAID-Financing Ghanaian Agriculture Project (USAID-FinGAP) aims to improve access to finance among agribusinesses to enable investment in the rice, maize and soy value chains in Northern Ghana. In the previous quarter, USAID-FinGAP focused its efforts on producing high-quality contractual deliverables, including three mapping assessments of business advisory services (BAS), participating financial intermediaries (PFIs), and agribusiness investment opportunities with Ghana's small, medium and including large enterprises (SMiLEs). During this period the Project produced a guiding Year 1 Work Plan including a Communications Plan; an Environmental Mitigation and Monitoring Plan (EMMP); and a Monitoring and Evaluation (M&E) and Performance Monitoring Plan (PMP) in the second quarter. Over the first two quarters, USAID-FinGAP steadily drove an efficient launch by mobilizing a strong and capable team in Accra and Tamale, achieving Project registration and finalizing office set-up.

Towards its goal of raising USD 75 million in finance through 250 transactions and 25 strategic partnerships within the target value chains, USAID-FinGAP has begun formalizing its networks of select PFIs and BAS providers to provide training, technical assistance, business consulting services and appropriate financial support to agribusiness firms, helping them find affordable options for financing expanded agricultural production over the long term. These networks are active and growing, and aim to generate USD 5M in financing by the end of Year One.

USAID-FinGAP is working closely with USAID/Ghana in select areas of the Partnership for Growth (PFG) Joint Country Action Plan (JCAP), specifically, by supporting initiatives to build the capacity of Ghana's financial sector infrastructure and encouraging initiatives to improve SMiLE financing resources and benefit Ghana's credit environment. As part of this effort, USAID-FinGAP is leading conversations with public institutions over the development of an alternative exchange market, as well as liaising with the DCA to ensure effective utilization of DCA guarantees.

Leveraging partner resources for greater results, USAID-FinGAP is collaborating with other Feed the Future (FtF)-funded programs including the World Bank and USAID-financed Ghana Commercial Agriculture Project (GCAP), the Agricultural Technology Transfer (ATT) project, and Resilience in Northern Ghana (RING), which focuses on reducing poverty and improving the nutritional status of vulnerable populations. These relationships hold significant promise for deepening project impact under the FtF program. Providing a formal structure for these collaborative efforts, the COPs of these projects have formed the Collaborative Circle of COPs (CCC) to establish terms of information exchange and identify project activities that serve their mutual and FtF interests.

## USAID-FINGAP ACTIVITIES (JANUARY-MARCH 2014)

The following chart lists activities undertaken in the period January through March 2014.

Activity	Date	Status
<b>Component 1: AOD Unit</b>		
<b>Task 1 Activities – Private Sector Engagement/Market Chain Linkages</b>		
Develop SOW to hire services for the interactive production map	Jan 2014	Home Office Management/COP/AOD Unit
Evaluate bids to support production map design	Jan 2014	AOD Unit
Conduct data collection	Jan–Feb 2014	AOD Unit
Hire provider to design production map	Feb 2014	AOD Unit
Beta test use of map among investors and PFIs	Mar 2014	AOD/FSS Units
<b>Task 2 Activities – Project Development and Investment Proposal Preparation</b>		
Hold launch event to present Project, explain value chains, link BAS firms with financial institutions and investment opportunities	Jan 2014	AOD Unit/FSS Unit/COP
Selection of 5–20 BAS providers to engage	Jan 2014	Grants Manager/Department/Unit Managers/COP/Home Office
RFP re-released each quarter and new BAS selected	March 2014	Grants Manager/AOD Unit Manager/FSS Unit Manager/CAD Department /COP
<b>Task 3 Activities – Business Performance Improvement</b>		
Host quarterly workshops to hear from BAS providers and evaluate BAS training needs	March 2014	AOD Unit
Develop curriculum/host training based on identified BAS provider needs	March–April 2014	AOD Unit
Connect BAS providers to value chain alliances via 1–2 networking opportunities	Jan–Sept 2014	Communications/COP/AOD Unit
<b>Component 2: FSSU</b>		
<b>Task 4 Activities –Financial Sector Capacity Building</b>		
Sign MOUs with 5–10 PFIs	Nov 2013–Feb 2014 (continuing)	FSS Unit/ COP

Conduct deeper engagement with PFIs to design appropriate incentives to expand agribusiness lending	Feb–Mar 2014	FSS Unit Manager/AZMJ/COP
Publicize high profile success stories	Jan–Sep 2014	FSS Unit Manager/AZMJ/Communications Manager
Hold periodic discussions with USAID DCA on alignment between DCA guarantees and identified deals	Mar–Jul 2014	Home Office
Design and deliver demand-driven capacity building based on needs of PFIs to close investment deals	Jan–Sept 2014	FSS Unit/AZMJ
Hold workshops/provide TA/carry out assessments per Joint Committee Action plan priorities for Year I	Ongoing	FSS Unit/COP
<b>Task 5 Activities – Small Grants Facility</b>		
Issue RFAs and grants	Nov 2013–Jan 2014 (continuing)	Grants Manager, Grants Assistant, COP, Home Office
Make awards	Ongoing	Grants Manager, Grants Assistant, COP, Home Office

# ACTIVITIES ACCOMPLISHED

## COMPONENT I: AOD UNIT

### CONTEXT AND OVERALL APPROACH

Agricultural lending differentiates between sources of funds (banks and other financial intermediaries) and uses of funds (working capital, equipment, facilities). In this context, USAID-FinGAP’s AOD Unit is tasked with defining the most effective uses of funds in the target VCs. Financing constraints in the VCs include: lack of financing for capital expenditures to improve processing and irrigation infrastructure; limited working capital for smallholder producers to finance inputs; lack of capital expenditures for improved storage, logistics infrastructure, and equipment; and lack of longer term asset finance loans for produce buyers and processors to increase processing and warehousing capacity.

Targeted financing is therefore needed to:

- Increase productive area, yield, quality and variety of rice, maize and soy through irrigation;
- Provide and develop strong market linkages for these value chains e.g. linking producers, mills and the poultry industry and other buyers;
- Expand infrastructure for bulking and quality management (i.e. warehousing, improved post-harvest technologies); and
- Improve logistics via post-harvest quality management.

***“FinGAP is coming at a time that agribusiness development is high on government’s agenda.”-Hon. Clement Humado, Minister of Food and Agriculture, Daily Guide, 23 January 2014***

***“FinGAP represents a commitment by the American people, not just towards increasing food security but also in reducing poverty and encouraging inclusive agriculture-led economic growth and development here in Ghana.” Jim Bever, USAID Mission Director, Ghana News Agency, 22 January 2014***

In the first quarter, USAID-FinGAP's AOD Unit identified illustrative investment opportunities and developed basic parameters for those investments, including the market rationale and prioritization by impact and commercial viability. This quarter, the Project prompted a dialogue between private investors, public agencies and donor-funded programs focusing on the alignment of resources and efforts to maximize the Northern Region's agricultural development potential and increase access to finance. Through this process USAID-FinGAP has forged strategic linkages between agribusinesses and the finance communities with the view of channelling financial resources to the highest potential opportunities.

To bring identified opportunities to the deal-making stage, the AOD Unit is creating a sustainable ecosystem of BAS providers offering quality consulting services in financial intermediation and broad business development to SMiLEs. This quarter, the Project delivered its first round of BAS provider trainings and reviewed proposed deals facilitated. Additional tools, discussed below, were developed to facilitate AOD Unit activities going forward.

## TASK I ACTIVITIES – PRIVATE SECTOR ENGAGEMENT/MARKET CHAIN LINKAGES

### DEVELOP SOW TO HIRE SERVICES FOR INTERACTIVE PRODUCTION MAP, EVALUATE BIDS TO SUPPORT PRODUCTION MAP DESIGN & HIRE SERVICE PROVIDER

Building on an initial Google map that illustrated the 33 agribusiness investment opportunities identified in the October 2013 assessment, and in line with USAID guidance, USAID-FinGAP solicited proposals for development of an online interactive investment mapping tool. This tool will allow prospective and current investors to actively use presumptive production projections to view unique investment scenarios, including the potential locations of warehouse, processing, transport and other agribusiness infrastructure. The software, which supports the USAID-FinGAP strategy for bringing public and private sector investment to Ghana's northern agribusinesses, is designed to be publicly available on the internet at no cost.

#### RESULTS

In late February 2014, USAID-FinGAP released a RFP for software development services to 10 US and international software providers with mapping and development experience. Two proposals were received by the deadline and evaluated by a Project review committee with insights from the USAID GeoCenter. An award was issued in mid-March 2014.

### CONDUCT DATA COLLECTION

In preparation for the interactive production mapping tool award, USAID-FinGAP engaged STTA to aggregate baseline data on the physical location and scale of rice, maize and soy production in Ghana above the 8<sup>th</sup> parallel. The collection scope included 11 categories of agricultural current and future production and processing rates and infrastructure, including water sources, transport infrastructure, large-scale land preparations, warehousing centers and financial institution branch offices.

The STTA worked in collaboration with USAID-FinGAP's M&E Manager to identify all potential data collection sources, determine the nature of their data collection practices, and review available data for verifiability and applicability to the desired mapping software.

## RESULTS

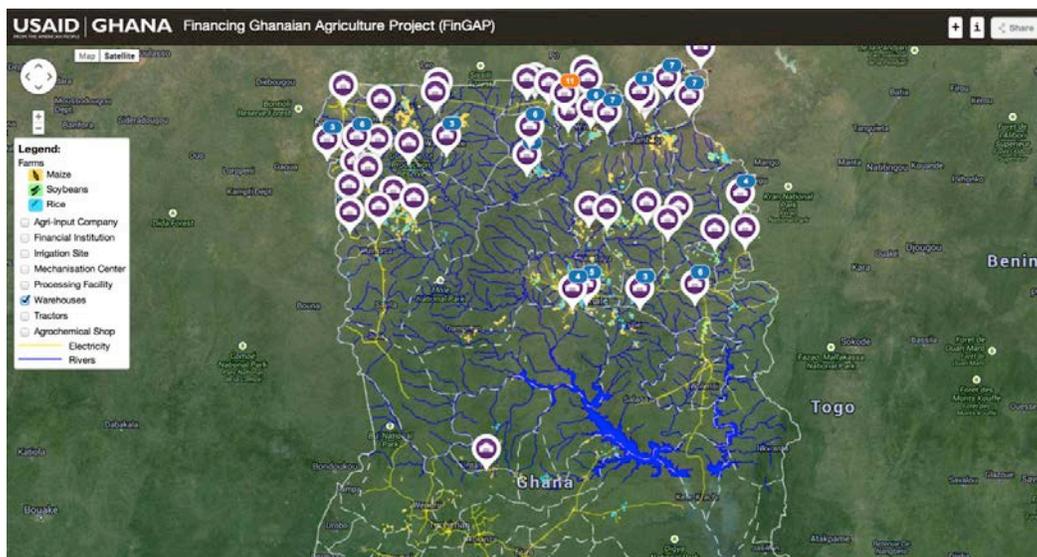
USAID-FinGAP STTA corresponded with USAID's ADVANCE and ATT projects, as well as the GOG's GCAP project and the Ministry of Agriculture's Statistics, Research and Information Directorate (SRID) representatives to collect data on agricultural past, present and future production. While extensive data was available for past and present production of rice, maize and soy in Ghana, as well as infrastructure, sources at the above organizations confirmed that future projection data was not available.

USAID-FinGAP notified USAID of the non-existence of projection data and adjusted the data collection scope accordingly. The available production data was aggregated and delivered to the software development subcontractor on March 17, 2014, and incorporated into the software design.

## BETA TEST USE OF MAP AMONG INVESTORS AND PFIS

A beta version of the online interactive investment mapping tool was presented to USAID-FinGAP, USAID/Ghana and USAID/Washington at CARANA headquarters in early April 2014. Suggested revisions and further developments were incorporated into the software throughout the third quarter, and a near-final version was presented to participants at the Ghana Agribusiness Investment Summit in on April 29, 2014. The results of this presentation will be reported in the following quarter.

A snapshot of the beta version of USAID-FinGAP's online agribusiness investment mapping tools shows geocoded agricultural infrastructure in Ghana's North grouped by location.



## TASK 2 ACTIVITIES – PROJECT DEVELOPMENT AND INVESTMENT PROPOSAL PREPARATION

### USAID-FINGAP FORMAL LAUNCH

After almost 6 months of operations in Ghana, USAID-FinGAP held a formal launch ceremony on 21 January 2014 in Accra. This event presented the Project mission and scope to stakeholders within Ghana's agricultural, financial, business and development communities, and provided a platform for the Project to communicate its services to both the public and private sectors. The key speakers at the

launch were the Minister of Food and Agriculture Hon. Clement K. Humado and the USAID Mission Director Jim Bever.

USAID-FinGAP Launch: from Left to Right, Jim Bever, USAID-Ghana Mission Director, Hon. Clement Humado, Minister for Food and Agriculture the Keynote Speaker, Mr. Tom Gambrah, MD of Premier Foods Ltd and Rick Dvorin, Chief of Party, USAID-FinGAP



## RESULTS

Over 120 dignitaries and guests from the USAID/Ghana mission, agriculture development partner projects, SMiLEs, PFIs and BAS providers, as well as members of GOG government agencies and regulatory institutions attended the event. USAID-FinGAP received significant endorsements from Minister Humado, who highlighted the timeliness of the Project's launch in Ghana alongside GOG initiatives, and the opportunities it brings to Ghanaian agriculture and overall economic growth.

Publicity about the launch appeared on leading radio station Joy FM as well as the widely circulated *Daily Graphic* and the *Business and Financial Times* newspapers. Ghana News Agency, Ghanaweb.com, myjoyonline.com and mordernghana.com also posted coverage of the event.

## RELEASE OF RFPS AND SELECTION OF 5-20 BAS PROVIDERS

Pressing forward with the growth of USAID-FinGAP's BAS provider network, the Project released a second RFP to 55 BAS providers in March 2014, aiming to engage 7-15 providers in its deal-facilitating network.

## RESULTS

16 proposals were received in response to the RFP and reviewed early in the third quarter. Meanwhile, the RFP remains open until the end of 2014 to encourage ongoing network expansion.

## TASK 3 ACTIVITIES – BUSINESS PERFORMANCE IMPROVEMENT

### HOST QUARTERLY WORKSHOPS TO HEAR FROM BAS PROVIDERS AND EVALUATE BAS TRAINING NEEDS

To examine the leadership, adaptation, management and operational capacities of the BAS providers, USAID-FinGAP conducted an assessment of 9 of its 12 providers to establish a baseline of BAS training needs, and develop a detailed understanding of individual provider capacities as they correspond to the identified needs of select SMiLEs. The project employed an Organizational Capacity Assessment Tool (OCAT) to structure its assessment approach. During this initial round, the Project determined that a tailored version targeting USAID-FinGAP's specific investment facilitation services would maximize the accuracy and value of assessment results. USAID-FinGAP's AOD unit is therefore revising the OCAT and piloting it in BAS trainings and workshops. These results of these assessments will be used to develop a scale for evaluating BAS network and individual provider growth trajectories over time.

#### RESULTS

USAID-FinGAP assessed 75% of its BAS provider network and began developing additional assessment and training tools based on information gathered, to improve network capacities and meet Project-identified investment facilitation needs. In the next quarter, the remaining original BAS provider network that did not undergo assessment will be assessed alongside newly engaged providers, receiving updated and customized assessments to maximize growth.

### CURRICULUM DEVELOPMENT AND TRAINING OF BAS PROVIDERS

8 BAS providers and the USAID-FinGAP technical staff jointly participated in a training on the Project's Environmental Monitoring and Mitigation Plan (EMMP) in February 2014. The purpose was to introduce them to USAID-FinGAP environmental monitoring and mitigation standards, and train them on conducting environmental screening of investment opportunities using the Environmental Review Form (ERF).

#### RESULTS

At the time of writing this report, USAID-FinGAP had begun delivering completed ERFs alongside proposed investment deals to USAID-FinGAP, ensuring that the Project remains compliant with USAID environmental standards. Additionally, USAID-FinGAP has been able to conduct environmental reviews on a majority of identified SMiLEs. Further details are provided on page 17.

### CONNECT BAS PROVIDERS TO VALUE CHAIN ALLIANCES VIA 1-2 NETWORKING OPPORTUNITIES

Using information gathered from BAS provider assessments and trainings, USAID-FinGAP began scheduling networking events and highlighting opportunities for BAS providers to engage with strategic actors along the target VCs during the calendar year. The first major opportunity is scheduled to arise in the third quarter, when the USAID-FinGAP Ghana Agribusiness Investment Summit will present BAS providers as key facilitators of agribusiness financing to the Ghana's larger public and private agribusiness sector stakeholders.

## RESULTS

This activity is ongoing, with results to be reported in the third quarter.

# COMPONENT 2: FINANCIAL SECTOR SUPPORT UNIT

## CONTEXT AND OVERALL APPROACH

Despite the rising supply and variety of financial institutions in Ghana (27 commercial banks, 137 Rural and Community Banks [RCBs], and 145 non-bank financial institutions including venture capital, mortgage finance, savings and loans and microfinance institutions), agricultural lending in Ghana accounts for only 5% of commercial lending. One reason for this imbalance is a lack of capacity and incentives for financial institutions to meet agriculture financing needs. Additionally, the risk profile of agriculture as compared to alternatives, and enabling business environment factors such as public deficits, contribute to bank disinterest in financing agriculture and retaining high interest rates.

On the demand side, agribusinesses often lack the education, skills and access to information to create “bankable” projects that financial institutions can feasibly consider. Many agribusinesses also carry old debt, have inadequate access to collateral due to the challenging land tenure environment (particularly female agribusiness owners), and require longer-term capital, which banks are less able to provide.

USAID-FinGAP addresses these challenges under Component 2 by providing direct incentive grants to financial institutions for loans disbursed in the USAID-FinGAP target sectors; facilitating linkages between investment opportunities and appropriate financial products and PFIs; providing opportunity specific and demand-driven PFI trainings in agriculture and value chain finance; and supporting USAID and GOG Partnership for Growth (PFG) financial sector initiatives.

This quarter, USAID-FinGAP’s FSSU has developed relationships with key financial institutions and equity and impact investors. These relationships are strengthened, and future project funding opportunities informed, by the FSSU’s development of financial tools and incentives to drive up the appeal of agricultural lending. Towards this end, the Project prepared to activate its small grants facility, which will (i) provide direct grants for lending in the target value chains; (ii) create value-chain specific agriculture “desks”; (iii) provide access to loan guarantees; (iv) create interest rate rebates; and (v) establish revolving loan facilities.

## TASK 4 ACTIVITIES – FINANCIAL SECTOR CAPACITY BUILDING

### SIGN MOUS WITH 5-10 PFIS

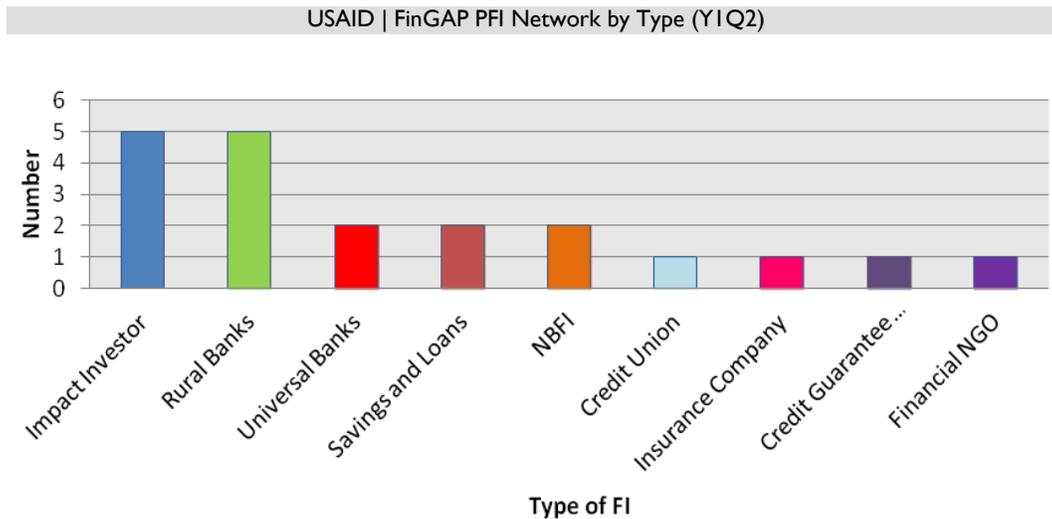
Drawing on the results of the first quarter’s Participating Financial Intermediaries (PFIs) mapping assessment, USAID-FinGAP presented over a dozen PFIs with MOUs to establish a framework for cooperative financial facilitation in support of the rice, maize, and soy VCs. These agreements give the Project a foothold for ongoing discussions with select PFIs on opportunities to reform and build capacity within their operational systems and financial products. PFIs that have signed MOUs with USAID-FinGAP are treated as preferred providers, and are eligible for pairing with the BAS provider network members to generate deals to SMiLEs.

## RESULTS

In the second quarter, USAID-FinGAP exceeded its goal for this activity by signing 12 PFIs into its network, bringing the total network count to 20. The Project’s network includes

- 5 impact investors
- 5 RCBs
- 2 non-bank financial institutions
- 2 savings and loans companies
- 2 universal banks
- 1 credit guarantee company
- 1 credit union
- 1 insurance company

At this time, USAID-FinGAP is pursuing MOUs with the EDAIF and Barclays Bank, among other institutions. Additionally, the Project is working with financial institutions which have not signed MOUs yet align with Project goals and present an opportunity to realize significant results.



## ENGAGE PFIS TO DESIGN INCENTIVES FOR EXPANDED AGRIBUSINESS LENDING

In response to the agricultural lending barriers identified during the first quarter’s assessment (negative past experiences; high risk perception; multiple layers of risk; high cost and short tenors of borrowed funds; high interest rates; short repayment periods; and lack of staff experience), USAID-FinGAP began developing incentives to benefit both PFIs and SMiLEs. For those incentives that benefit PFIs, the objective is to reduce risk by meeting banks’ pre-disbursement conditions. The incentives are categorized as:

- Insurance (weather, crop and key man)
- Partial credit guarantees (DCA and others including Exim Guaranty and DANIDA)
- Capacity building
- Interest rate reduction
- Grants to establish agriculture desks (such as Barclays’)
- Project and business development costs.

PFI have indicated that bringing these incentives to full-scale serviceability would catalyze the financing process. To activate the last incentive category (Project and business development costs) USAID-FinGAP is developing a statement of work to advise PFIs on applying for USAID-FinGAP grants.

To fully advertise its incentive package, the FSSU determined that RCBs based in the North are crucial partners for reaching SMiLEs in the target VCs. Therefore, the team travelled to Ghana's Northern, Upper East and Upper West regions to introduce the Project to 17 RCBs and a credit union, extending the Project's presence to those geographic areas. Meanwhile, the EDAIF Agriculture Team welcomed the Project as a preferred partner in identifying credit and equity investment opportunities and fast-tracking approval and release of low-market interest rate loans, grants and equity to agribusiness SMiLEs. EDAIF provides attractive low-cost interest rate loans to banks (0-2.5%) which in turn on-lend to SMiLEs at a no more than 10-point spread. Its interest in the USAID-FinGAP financial facilitation approach and development of incentives would be a significant opportunity for SMiLEs to gain financing at reasonable rates.

Driving deeper engagements between PFIs, SMiLEs and BAS providers, USAID-FinGAP began preparations for the Ghana Agribusiness Investment Summit, scheduled for late April 2014 in Accra. Aiming to attract over 150 private and public sector stakeholders in agribusiness and the target VCs, the Project is using this event to connect investors and PFIs to BAS providers and SMiLEs over prospective business initiatives. At the writing of this report, the GOG's Vice President and ministers of Finance, Food and Agriculture, and Trade and Industry had confirmed their participation. The US Ambassador to Ghana will open the event.

## RESULTS

USAID-FinGAP achieved notable results in developing relationships with PFIs this quarter, which will inform additional results going forward. 5 PFIs visited during the FSSU trip were signed into the USAID-FinGAP network, extending the Project's reach and responsiveness to agribusiness SMiLEs in those regions. Becoming a preferred EDAIF partner further positioned the Project to facilitate efficient financing: USAID-FinGAP was informed that the EDAIF Agriculture Team would be invited to critique all of its investment proposals on a fast-track basis.

In a major step towards enhancing its capacity for agricultural lending, Barclays Bank established an Agricultural Lending Desk within its Business Banking Department and designated Relationship Managers to promote and expand the Bank's agricultural lending portfolio. The Bank is collaborating with the Project to realize identified investment opportunities. Also in this quarter, the Washington, DC DCA team assessed Barclays' capacity to receive a DCA credit guarantee. USAID-FinGAP is currently taking steps to formalize Barclays' status as a preferred partner.

## PUBLICIZE HIGH PROFILE SUCCESS STORIES

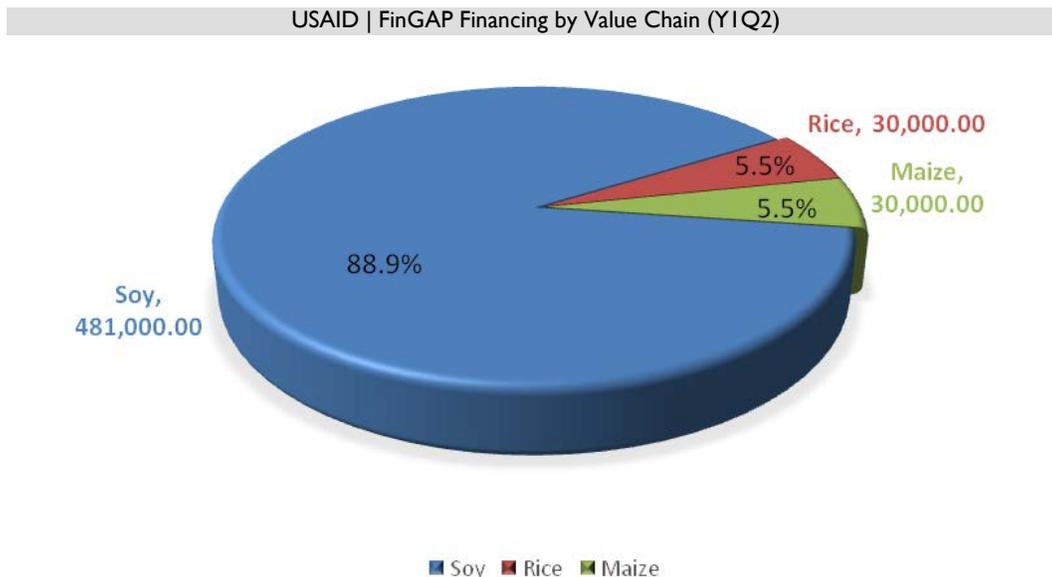
USAID-FinGAP has been tracking achievements as a result of its activities and providing weekly updates to USAID/Ghana. This information will be developed into formal success stories for publication in Project Year Two. Meanwhile, the second quarter yielded notable results.

During the reporting period, three PFIs and one agro-input dealer disbursed \$541,000 in financing to SMiLEs with USAID-FinGAP assistance. Of this financing, 89% targeted the soy VC and the remaining 11% of financing equally benefited the rice and maize VCs. These financing institutions - Root Capital, Sinapi-Aba Savings and Loan, and Frontline Capital - chiefly financed working capital and equipment purchases for five rice, maize and soy producers and processors. In the case of 3K&A, this had valuable cross-cutting implications: financing facilitated allowed almost 30 employees to be re-hired and

supported the livelihoods of women and youth soy suppliers across the North, thus reaching toward USAID-FinGAP's commitment to promote gender equality in its development efforts.

In another case, financing this quarter provided a critical stop-gap while larger funds are pending. Through a supplier's credit line from Ganorma Agro-Chemicals Ltd., Project network SMiLE Solar Harvest Limited was able to procure the seven tons of seed necessary to maximize use of its 200 hectares for off-season soybean production. Solar Harvest is able to meet its planting needs while awaiting approval for a working capital credit line from a larger commercial bank.

These stories exhibit the opportunities that USAID-FinGAP activated in its second quarter, which are expected to grow in impact and value over time. The graphs below summarize the distribution of financing by value chain.



#### HOLD PERIODIC DISCUSSIONS WITH USAID DCA ON ALIGNMENT BETWEEN DCA GUARANTEES AND IDENTIFIED DEALS

In March 2014, USAID-FinGAP and USAID-Ghana facilitated meetings for two Development Credit Authority (DCA) Investment Officers who travelled to Accra, Ghana to assess the DCA program and identify opportunities for partial and portable guarantees. Leveraging the resources of its PFI network, USAID-FinGAP organized and participated in meetings between the DCA officers and five impact investors, two commercial banks, a leasing and insurance company, a NBFi and an equipment provider.

USAID-FinGAP used the opportunity of the DCA officers' assessment to propose a financing model that combines DCA partial guaranteed loans with the on-lending of EDAIF funds to SMiLEs at no more than 12.5%, a desirable alternative to the current standard loan rate of 25-35%. The model also benefits financial institutions, which currently incur significant risk with EDAIF loans under an obligation to pay interest and repay the principal while on-lending these EDAIF funds to businesses at a no more than 10% spread. Per USAID-FinGAP's proposed model, the DCA partial guarantee can substantially bring down these risks to the financial institution. The DCA team is currently considering this proposal.

With Project facilitation, the DCA team also met with three SMiLE and the donor agencies AfDB and DANIDA, and considered the following organizations for potential portable loan guarantees: Premium Foods Ltd., Nuts for Growth Ghana Ltd., AFGRI (local representative of John Deere) and Ghana Agricultural Insurance Pool (GAIP). Guarantees with major rice and maize processor Premium Foods (FY 14) and early stage processor Nuts for Growth (FY 15) have been proposed for consideration.

## RESULTS

USAID-FinGAP has signed MOUs with two DCA beneficiary banks, Sinapi Aba Savings and Loan and UT Bank Ltd, and is in talks with Ecobank and Opportunity International. Through these relationships USAID-FinGAP is positioned to support implementation of DCA agreements and increase overall guarantee utilization rates, as well as extend the benefits of these agreements to its network SMiLEs.

A proposed agricultural equipment package with John Deere and USAID-FinGAP SMiLE AFGRI, John Deere's primary distributor, is a significant opportunity for joint USAID DCA and USAID-FinGAP benefit. Under this package, customers purchasing equipment from AFGRI will be brought to DCA partners including UT Bank, Ecobank, Sinapi Aba, and Opportunity International for financial assistance. Making rates attractive to customers, John Deere will 2-4% percent of the interest costs. It will also offer training programs to customers and equipment warranties for the life of the financing agreement. This presents a valuable opportunity for USAID-FinGAP to leverage its existing guarantees with DCA banks to benefit SMiLEs in need of agricultural equipment at reasonable financing rates.

Another upcoming opportunity is a USD2million, 50% loan portable guarantee (LPG) that is proposed for the Ghana Agricultural Insurance Pool (GAIP), to pilot with 3 rural banks and a commercial bank to encourage the uptake of insurance-backed lending in Ghana. The proposed LPG will allow rural banks across northern Ghana to share the risk of loans bundled with weather indexed insurance provided by GAIP.

## DESIGN AND DELIVER DEMAND-DRIVEN CAPACITY BUILDING FOR PFIS TO CLOSE DEALS

As previously noted in this report, a primary constraint to agribusiness in Ghana is a widespread lack of understanding of agribusiness, and limited capacity to meet its needs, within Ghana's financial institutions. Informing financial institutions and prompt new approaches to avoid the familiar obstacles of poor return rates, late payments, and weak business planning can shift the financing focus to agriculture in mutually productive ways. Building on the results of the October 2013 PFI Mapping Assessment and in keeping with the Project's demand-driven approach, USAID-FinGAP collated information gathered into a comprehensive "training menu" and circulated this list among PFIs with a request that they indicate their top training needs. Starting in the third quarter, USAID-FinGAP will be offering trainings on specific areas of agribusiness financing designed to address this demand.

**Case Study: Nuts for Growth is an early stage nut processing company with a strong management team, aiming to become Ghana's premier zero waste agri-processor for nuts. As part of the company's long term goals, it plans to develop a 7MW captive biomass power plant that will utilize nut cake from its processing plant as the primary source of feedstock. The company plans to sell 5MW of excess capacity to the local community and grid. Financing needed for the power plant is estimated to be USD 14 million, of which 60% to 80% could come in the form of debt. These proposed projects will also contribute to Power Africa and PFG goal of increased power generation capacity.**

## RESULTS

In the second quarter, Sinapi Aba Savings and Loans Ltd (SASL) requested training in loan appraisal techniques and risk management for approximately 30 credit and loan officers and relationship managers. A DCA partner bank and a USAID-FinGAP network PFI, SASL has provided \$90,000 in financing to USAID-FinGAP SMiLEs over the first and second quarters of the project. USAID-FinGAP is preparing for the training, currently scheduled for early May.

## HOLD WORKSHOPS AND TRAINING PER JCAP YEAR 1 PRIORITIES

Since being selected as a Partnership for Growth (PFG) country, the GOG has engaged in extensive analysis and consultations with the USG to develop a Joint Country Action Plan (JCAP) to assist Ghana to sustain and broaden its economic growth. Its activities are oriented towards 5 goals:

- Reduce government engagement in the banking sector;
- Strengthen Financial Sector regulation and supervision;
- Develop the Financial Sector infrastructure;
- Broaden and deepen the financial sector;
- Encourage development finance and support SME access to finance.

USAID-FinGAP activities are designed to drive results in these five areas. This quarter, the Project pursued conversations with the GOG and financial regulatory bodies to identify steps to achieve a healthy business enabling environment by reducing constraints within the banking sector, and enhance the financial sector infrastructure to support appropriate regulation and supervision. Additionally, USAID-FinGAP's BAS and PFI trainings are designed to support the JCAP goals by building capacity within existing financial institutions to extend SMiLE access to finance. Success in this area will broaden, deepen and strengthen the financial sector. Further activities in support of PFG JCAP Goal 5 and the Access to Credit Team's work are described in the "Partnership for Growth: Developing JCAP" section below.

## TASK 5 ACTIVITIES- SMALL GRANTS FACILITY

USAID-FinGAP grants are designed to (1) generate a healthy pipeline of partnerships and projects, (2) buy down the risk of BAS providers and PFIs with the capacity to enter into the target value chains and geography, and (3) enhance the sustainability of USAID-FinGAP interventions by integrating local providers.

## ISSUE REQUEST FOR APPLICATIONS FOR GRANTS

A first Call for Proposals was advertised to promote USAID-FinGAP's subsidized BAS services for SMiLEs. The Call also solicited SMiLEs, PFI and BAS providers to apply for grant(s) and enable them undertake capacity building efforts, conduct research and surveys, and develop new financial products in light of investment and credit facilitations. At the deadline for the current window, six proposals were received and will be evaluated by the Grants Evaluation Committee.

## PARTNERSHIP FOR GROWTH (PFG): DEVELOPING JCAP

USAID-FinGAP supports components of the PFG, particularly in the area of increasing access to finance for SMiLEs within and beyond the Project's target VCs. As part of its work in Year One, USAID-FinGAP is facilitating expert, local and international technical assistance in line with the PFG JCAP to develop the financial sector infrastructure and encourage development through support of SMiLE access to finance. The following activities were undertaken under PFG JCAP in the reporting period:

1. USAID-FinGAP's report of the GOG PFG Task Force meetings with the USG SBA in Washington, D.C. last December was presented to USAID/Ghana in early 2014. Responding to the Task Force's goal of developing a work plan for achieving PFG JCAP Access to Finance Goal 5 - Encourage development finance and support small and medium enterprise (SME) access to finance – the report recommends adding two components to that Goal: (i) Develop alternative financing programs for SMEs that do not rely on bank lenders to help bridge the gap in financing that exists for SMEs; and (ii) Encourage the GOG to include some task force delegates on the team that will develop the PFG JCAP Year Two work plan, and on the team that will work on the JCAP Access to Finance Goal 5.
2. The Project is in discussions with the IFC over its proposed GHS2 billion (approx. USD 700 million) bond and ways that SMiLEs can utilize it to access long-term financing along USAID-FinGAP target VCs. At the writing of this report, the IFC had not set an issue date.
3. USAID-FinGAP researched expanding SMiLE access to credit via corporate bonds, GAX equity listings, and long-term government bonds and began developing activities aimed at bringing price discovery to debt instruments and lowering funding costs.
4. USAID-FinGAP supported the JCAP M&E component by participating in the Credit Team's assessment of the first year's work and the development of the following year's work plan. This included developing the M&E Addendum and the SME Scorecard, which were presented with updated data on Ghana's SME credit sector by the Deputy Governor of the Bank of Ghana (BOG) to JCAP's Joint Steering Committee on March 26, 2014. The presentation was attended by GOG ministers, the Governor of the Bank of Ghana, and USG dignitaries.
5. The project continues to discuss possibilities for supporting the Ghana Stock Exchange's efforts to reach PFG Goal 4 (broaden and deepen the financial sector). USAID-FinGAP is exploring ways to use consultants or BAS providers to develop the second tier market for equity and bond trading. This activity will be initiated in the third quarter.
6. USAID-FinGAP met with an investment advisor to further the development of SMiLE access to credit instruments that include corporate bonds, GAX listings of equities, and long-term government bonds developing a yield curve as the basis for debt issuances. These activities aim to bring price discovery to debt instruments and lower cost of funds to SMiLEs with a yield curve to become the basis for pricing. There is currently a window open for SMiLEs, within the agribusinesses targeted by USAID-FinGAP and others outside of this, to issue bonds rather than to gain a bank loan, whereas the issuance of a corporate bond would save that same SMiLE 2-5% on the total cost of the debt finance. Additionally, other SMiLEs can become listed on the GAX to gain equity financing.

# CROSS-CUTTING ISSUES

## GENDER

Approximately 60% of the farming labour force is composed of women, who also dominate the sale of agriculture products in local markets--yet women receive only 5% of agricultural extension and literacy services. With a stated mission of developing Ghana's agricultural sector through finance, USAID-FinGAP applies a socially inclusive approach to its administrative and technical operations. Early in the second quarter, the Project engaged a female intern studying in Accra to support the technical team. The Project also hired a female office accountant to manage its Tamale office.

Through its promotion of agricultural extension programs for and led by women the Project continues to encourage female-led agribusinesses. The financing facilitated to 3K&A during this quarter benefited the processors' women and youth soy suppliers by extension. Through its activities in the target VCs, USAID-FinGAP aims to address the broader issue of women's land right in Ghana by promoting the concept that land may be used as collateral in obtaining credit. Similar to these ongoing efforts, USAID-FinGAP is encouraging the use of media and technologies that stand to improve currently low literacy levels among women.

Seeking further resources for integrating gender components into its financial facilitation activities, USAID-FinGAP met with representatives of the IFC in Washington, DC to explore areas for joint collaboration in improving access among female SMiLEs, including supporting Ghana's banks to design lending products targeting female-run agribusinesses, and leveraging IFC's online entrepreneurship training materials geared towards female entrepreneurs.

## ENVIRONMENT

Conceptually, USAID-FinGAP is designed to have no or relatively little adverse environmental impact. Where negative impacts are likely, mitigation measures have been developed and are communicated through the EMMP and Project trainings.

Towards this end, USAID-FinGAP held an Environmental Mitigation and Monitoring Plan (EMMP) training for technical staff and BAS providers from February 12 to 14, 2014. Delivered by the Project's Environmental Advisor and a supporting specialist, the training advised core USAID-FinGAP actors on the Project's potential environmental impact areas and familiarized them with the appropriate assessment and response procedures to ensure that Project funds are appropriately allocated.

All subcontracts issued to BAS providers require submission of completed Environmental Review Forms (ERFs) for a deal to be considered for financing under the Project. For the training, four distinct Environmental Review Forms (ERFs) were developed to screen SMiLEs who may apply for USAID-FinGAP support. ERFs are distinguished by agriculture production, construction or rehabilitation of irrigation facility, infrastructure and processing, and training and technical assistance, workshops, and studies. Completion of these forms helps assure each investment opportunity and associated SMiLE's compliance with USAID-FinGAP environmental standards prior to being recommended for Project support. To date, 12 SMiLEs have been screened of which one has been qualified with a negative determinant. Mitigation measures have been discussed and agreed with the SMiLE, and follow-up is underway.

## FEED THE FUTURE IMPLEMENTING PARTNERS COLLABORATION

USAID-FinGAP and other FtF Implementing Partners agreed to continue collaborating in areas of mutual interest as a means of efficiently managing resources and reaching overall FtF program goals. This collaborative effort, identified as the Collaborative Circle of COPs (CCC), includes the sharing of existing work plans and a commitment to working together in developing future work plans to maximize the projects' joint potential for achieving FtF goals. The CCC has expanded to include the GCAP; USAID CORs and other staff will be invited to CCC meetings on a quarterly basis, to ensure that joint strategies are transparently and effectively developed and delivered in accordance with client rules, regulations and interests. Information is shared through meetings and messages sent through email, and follow up actions are taken by the appropriate parties to ensure collaboration in work, in planning, and in assisting our mutual partners for overall agricultural development.

As part of the CCC, USAID-FinGAP joined other FtF implementing partners (IPs) in sharing their PMPs and information on related activities. Through such collaboration, the CCC supports the sustainability of results generated by FtF project. The two newly awarded IPs will join the initiative once USAID approval has been secured.

A center pivot irrigation system in northern Ghana. Reliability of water sources is one of many challenges to agricultural productivity, which can be addressed through strategic financing.



## PLANNED ACTIVITIES (APRIL-JUNE 2014)

Activity	Date	Status
<b>Component 1: AOD Units</b>		
<b>Task 1 Activities – Private Sector Engagement/Market Chain Linkages</b>		
Beta test use of map among investors and PFIs	Apr 2014	AOD/FSS Units
Modify production map accordingly	Apr 2014	AOD Unit
Conduct marketing and communication activities around production map	Apr/May 2014	Communications Manager/AO D Unit
<b>Task 2 Activities- Project Development via BAS Providers</b>		
Release tender for BAS providers	Nov/Dec 2013 (and ongoing on a quarterly basis)	Grants Manager/AOD Unit Manager/FSS Unit Manager/CAD Department /COP
Selection of 5-20 BAS providers to engage	January 2014 (and ongoing)	Grants Manager/Department /Unit Managers /COP/Home Office
RFP re-released each quarter and new BAS selected	March/June/Sep 2014	
Hold launch event to introduce investment opportunities and BAS providers to investment & finance community	April 2014	AOD Unit/FSS Unit/COP
<b>Task 3 Activities – Business Performance Improvement</b>		
Host quarterly workshops to hear from BAS providers and evaluate BAS training needs	March/June 2014	AOD Unit
Develop curriculum/ host training based on identified BAS provider needs	Mar-Apr2014	AOD Unit
Host training on strategic investment identification	June 2014	AOD Unit
Connect BAS providers to value chain alliances via 1-2 networking opportunities	Jan –Sept 2014	Communications/COP/AO D Unit
<b>Components 2: FSSU</b>		
<b>Task 4-Financial Sector Capacity Building</b>		
Publicize high profile financing success stories	Jan-Sep 2014	FSS Unit Manager/AZMJ/Communications Manager
Hold periodic discussions with USAID DCA on alignment between DCA guarantees and identified deals	Mar–Jul 2014	Home Office
Design and deliver demand- driven capacity building based on needs of PFIs to close investment deals	Jan-Sep 2014	FSS Unit, AZMJ
Hold workshops/provide TA/carry out assessments per Joint Committee Action plan priorities for year 1	Ongoing	FSS, Unit/COP
<b>Task 5 Activities – Small Grants Facility</b>		
Make awards	Ongoing	Grants Manager, Grants Assistant COP Home Office

# PERFORMANCE INDICATORS

#	Indicator	Unit of Measure	Baseline	Q1	Q2	Year I (Jul 2013-Sept 2014)		
				Achieved	Achieved	Target	Achieved	%Achieved
<b>Component I: AOD UNIT</b>								
<b>Ia. Improved access to BAS by agri-enterprises, as well as development of Ghanaian capacity to provide these services</b>								
1	Number of SMEs or larger enterprises receiving business development (advisory services) from Feed the Future (FTF) assisted sources	Number of enterprises	0			15	0	0%
	<b>Size</b>							
	Small			0	0			
	Medium			0	0			
	Large			0	0			
	<b>Gender</b>							
	Male			0	0			
Female			0	0				
2	Number of BAS providers trained in deal making and BAS in agriculture	Number of providers	0			15	0	0%
	<b>Gender:</b>							
	Male			0	0			
	Female			0	0			
3	Number of clients paying fees for BAS	Number of enterprises	0			5	0	0%
	<b>Size</b>							
	Small			0	0			
	Medium			0	0			
	Large			0	0			
	<b>Gender</b>							
	Male			0	0			
Female			0	0				
<b>Ib. Improved ability of agri-enterprises to create fundable investment proposals</b>								
4	4.5.2-30: Number of MSMEs and larger enterprises, including farmers, receiving USG assistance to access loans (S)	Number of enterprises	0			15	6	40%
	<b>Size</b>							
	Small			0	3			
	Medium			2	1			
	Large			0	0			
	<b>Gender</b>							
	Female			0	0			
Male			0	6				
5	Number of food security private enterprises (for profit), producers organizations, water users associations, women's groups, trade and business associations, and community-based organizations (CBOs) receiving USG assistance (RiA) (WOG)	Entity	0			30	6	20%
	<b>Type of entity</b>							
	food security private enterprises (For profit)			2	4			
	Producers organizations			0	0			
	Water users associations			0	0			
	Women's groups			0	0			
	Trade and business associations			0	0			
	Community-based organizations (CBOs)			0	0			

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Ic.&Id Increased private sector investment in socially inclusive agriculture related activities and enhanced agricultural commerce								
6	Total value of private capital deployed to targeted value chains by financial institutions with USG assistance	USD	0	0	627,531.02	5,000,000	627,531.02	13%
7	Number of successful investment opportunities funded	Number of opportunities	0	0	9	5	9	180%
8	Value of agricultural and rural loans District	USD	0	0	228,079.08	5,000,000	228,079.08	5%
9	Value of new private sector investments in the agriculture sector or food value chains leveraged by FTF implementation	USD	0	0	399,451.94	2,500,000	399,451.94	16%
10	Value of incremental sales in rice, maize and soya as a result of U.S. government assistance along the value chain	USD	TBD	0		TBD		
Component 2: FSS UNIT								
11	Number of FIs receiving capacity/competency strengthening as a result of U.S. government assistance		0	0	0	4	0	0%
12	Number of grants disbursed		0	0	0	10	0	0%
13	Number of public-private partnerships formed as a result of U.S. government assistance		0	0	0	5	0	0%
14	Financial recovery rates for agriculture sector		TBD			N/A		
15	Value of agricultural loans by US government supported banks (on a percentage portfolio basis)		TBD			2%		
16	Score, in percent, of combined areas of organizational capacity among U.S. government direct and indirect local implementing partners		TBD			N/A		
17	Number of new products offered by FIs (including DCAs)		0	0	0	2	0	0%
18	Number of days of technical assistance in financial sector capacity provided to counterparts or stakeholders		0	8	16	768	24	3%
19	4.5.1–24. Number of policy reforms/laws/regulations/administrative procedures drafted and presented for public/stakeholder consultation to enhance sector governance and/or facilitate private sector participation and competitive markets as a result of U.S. government assistance		0	0	0	2	0	0%
20	Number of financial institutions receiving U.S. government assistance in extending services to micro and small businesses		0	0	0	5	0	0%