



# APRACA Newsletter

*Acknowledged leader in rural and agricultural finance* | Vol. 6 Issue 4



*Delegates of 6<sup>th</sup> World Congress on Rural and Agricultural Finance in New Delhi, India*

## APRACA Co-hosted the 6<sup>th</sup> World Congress on Rural and Agricultural Finance

APRACA and National Bank for Agriculture and Rural Development (NABARD) co-hosted the '6<sup>th</sup> World Congress on Rural and Agricultural Finance' which was held in New Delhi, India during 12-13 November 2019. The World Congress received administrative support from the Ministry of Agriculture and Farmers Welfare, Government of India. This global event was also collaborated by four other ACAs: (a) Confédération Internationale du Crédit Agricole (CICA), (b) African Rural and Agricultural Credit Association (AFRACA), (c) Latin American Association of Development Financial Institutions (ALIDE), and (d) Near East–North Africa Regional Agricultural Credit Association (NENARACA).

The World Congress was formally inaugurated by the Hon'ble Finance Minister of India Ms. Nirmala Sitharaman by traditional Lighting the Lamp and was accompanied by the APRACA Chairman, NABARD Chairman, Additional Secretary of Ministry of Finance (Government of India) and APRACA Secretary General.

The theme of the 6<sup>th</sup> World Congress was carefully chosen as 'Rural and Agricultural Finance: Critical Input to Achieve Inclusive and Sustainable Development'. The event was attended by over

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*Inauguration of the 6<sup>th</sup> World Congress by 'Lighting the Lamp' ceremony*

250 delegates from 54 countries representing 136 institutions/organization. This Congress tackled several highly ambitious topics, all geared towards a single goal: to contribute to making agricultural and rural development sustainable, and therefore inclusive, for people still living in poverty. The 6 technical sessions and 2 special sessions addressed all important aspects of finance and investment in rural and agricultural sector. Few highlights of the output of the 6<sup>th</sup> World Congress are:

- The experts present in the Congress agreed to the fact that there is an ever increasing need to invest in agriculture due to a drastic rise in global population and changing dietary preferences of the growing middle class in emerging markets towards higher value agricultural products. In addition, they also agreed that the climate risks increased the need for investments to make agriculture more resilient to such risks and proof the smallholders from loss of their harvests.
- The necessary conditions for success to achieve the endeavour by the global community, given the current population growth rate and the pressure on resources: (a) the increasing demand for food has to be

stabilized at +30% rather than 60% by 2050, (b) consumption of meat must decrease, with fewer concentrates for animal feed; (c) food management to lead less waste and (d) more resilient agriculture, combining biodiversity, sustainability, and adaptation to new climate conditions.

- There are several major wake-up calls emerged which are regarding the geopolitical and sociological context. First, international co-operation remains necessary if we want to feed the planet and provide a stable framework for farmers. Second, scientific research, innovation, and technology still hold the keys to progress, in every area! It's the spirit of the Enlightenment! A major effort will therefore be needed to promote them and popularise their results. Finally, financial innovation must be better understood and mobilised to face the risks impacting the agriculture.
- In recent years, it has become clear that this overall approach, consisting of integrating all stakeholders into effective value chains, is crucial. But this requires smallholders and resource-poor rural communities to be central players and organise themselves so as to be





*Glimpses of the delegates engaged in 6<sup>th</sup> World Congress held in New Delhi during 12-13 November 2019*

able to influence the market and improve quality. Some of the countries made great progress in the areas of agriculture and its allied sub-sectors, but this is not the case in all the sub-sectors, where the value chain is not yet integrated strongly enough.

The essence of Sixth World Congress is captured in NEW DELHI DECLARATION. The importance of SDGs is recognised and the participating institutions are committed to support activities that will contribute to promotion of investment in agriculture and sustainability in food production system. The rural agriculture financial institutions will play an important

role in scaling up private sector finance to low-carbon emissions and in encouraging climate resilient investments. The employment of agriculture and rural finance as strategic tool to enhance sustainability in farming systems is realized. The public private partnership is encouraged to make a significant impact on alleviating the plight of vulnerable groups and tackling the challenges of food security. Off-farm activities in rural areas to supplement farm incomes will be promoted. Institutional financing through value chains is seen as the key solution to integrate informal groups in the formal sector. Similarly, collectivization of farmers in the form of FPOs will have a great potential in increasing farmers' income when integrated with



sustainable value chain. Harnessing of advanced technologies such as space and digital technologies to improve agriculture and rural finance delivery system is realised. The importance of risk management practices in the form of agriculture insurance and other risk proofing mechanisms are also duly acknowledged.



(L to R) Mr. Edgardo Alvarez, Secretary General of ALIDE, Dr. Harsh K Bhanwala, Chairman of NABARD, Mr. M K Jain, Deputy Governor of RBI, Mr. Senarath Bandara, Chairman of APRACA and Mr. Jean-Marie Sander, Chairman of CICA holding the 'New Delhi Declaration 2019 at the completion of 6<sup>th</sup> World Congress'

The World Congress was a complete success to achieve its broad objectives on combating poverty, inequality and respond to the threats of climate change by 2030 and the commitments of active support from the financial sector and policy makers to reach out where it is urgently needed. The Congress also accomplished the specific objective of taking the stocks on the global approach to rural and agricultural finance which is considered as the critical input for achieving inclusive and sustainable development across the sector. The congress provided a global platform worthy to debate and share core and complimentary competencies of the financial sector on delivering finance to achieve equitable growth and development across the region and bring in the innovations and promotes international and interregional cooperation.

The speakers and presenters of the Congress were the global leaders who shared their long experiences and expert views on the topics of interest in globalization of agricultural value chains, risk mitigation in agricultural finance, financial inclusion and the growth of the SMEs with special reference to the role of the financial institutions. I am sure that this report has captured all these important deliberations during the Congress and hope that this document will be beneficial and helpful to the financial institutions and the policy making bodies and influencers to provide sustainable financial services to the agricultural and rural sector and support the endeavour to attain the 2030 targets in their respective countries.



Distinguished speakers during the 6<sup>th</sup> World Congress business sessions

## Other Activities of APRACA Secretariat

- APRACA Secretary General visited India International Trade Fare held in New Delhi, India during 12-13 October 2019

APRACA was invited by the National Cooperative Development Corporation (NCDC), the Apex financial cooperative in India to join the unique three-day forum which was aimed to promote cooperative-to-cooperative trade within India and abroad leading to enhanced rural and farm prosperity. This trade fare was focused on promotion of value chains in agriculture and its allied sector. This was participated by 31 countries and displayed the power of cooperatives. Dr. Prasun Kumar Das was a speaker for the business session on 'Cooperative Banking and Financial Inclusion' with other luminaries from the cooperative industry.



APRACA Secretary General with Mr. Tomio Sichiri, FAO representative to India during the plenary session of IICTF 2019 in New Delhi, India

- APRACA hosted the SAFIN Learning event on Blended Finance in Bangkok during 14-15 October 2019

APRACA hosted the learning event on the 'Use of blended finance to mobilize private capital towards agri-SMEs'. This learning event was sponsored by SAFIN,



Secretary General of APRACA in APRACA pavilion with the representative from the Cooperative Development Authority, Philippines

OECD and APRACA in order to share experiences among key institutions in the Asia and the Pacific. This learning event was held in Bangkok, Thailand during 14-15 October 2019. There were 25 participants from Cambodia, China, India, Indonesia, Nepal, Philippines, Singapore, Thailand, Afghanistan, France and Italy. There were 2 presenters who used the Skype to present their experiences and case studies from Africa and Latin America. There were total of nine (9) presentations during the 2 days of deliberations which were followed by discussions, questions and answers. During both the days, the participants were divided in two (2) groups to complete the group exercise and presentations on the questions based on the discussions of both the days. The learning event ended with accepting the fact that the blended finance instruments has the potential to strengthen sustainable economic development which are being increasingly used by the private/public investment funds, bilateral and multilateral development financial institutions to structure the capital of the enterprises (including the startups) which are being blended with the technical assistance (grant, subsidy or loan) and support them to cope with the unforeseen business risks.





*APRACA hosted SAFIN learning event on Blended Finance in Bangkok which was attended by global and regional experts*

## ■ APRACA Secretary General invited to join IFAD Supervision Mission in Myanmar during 21-28 October 2019

APRACA Secretary General was invited by the IFAD Country Mission, Philippines to join the team of experts to evaluate the work done so far in the Fostering Agricultural Revitalization in Myanmar (FARM) Project in Myanmar. The two main outputs of the mission were (i) preparing an aide-memoire documenting the findings, conclusions and recommendations of the mission to be discussed with the Government during the wrap-up meeting; and (ii) a supervision mission report to be submitted to IFAD's management at the conclusion of the assignment, in the required format. As a rural finance expert in the supervision mission, the Secretary General worked closely with the Agribusiness Specialist, and assessed the progress made in implementation and expansion of the Rural Business Fund to agriculture CIGs and the SMEs, including, formation of grant committees, contracting of service provider for capacity building of landless entrepreneurs and SMEs;

## ■ APRACA Secretary General joined SAFIN Steering Committee and Plenary meeting held in New Delhi during 10-11 November 2019

The second plenary meeting of SAFIN partners since the formalization of the network in the Spring of 2018 (the third if including the network development phase in 2017) took place on 10-11 November in Delhi, adjacent to the Sixth World Congress on Agricultural and Rural Finance. As in previous years, the meeting brought together SAFIN partners and some guests, with around 45 participants from Africa, Asia, Europe, Latin America and the Caribbean, and the United States. The programme was designed to foster collective reflection upon the current trajectory of the network and plans for 2020, as well as to allow participants to share information about new initiatives and discuss collaboration opportunities. On 10 November, the plenary proper was preceded by a workshop on the SAFIN Investment Prospectus (IP) pilots, a meeting of the SAFIN Steering Committee, and an introduction to the ISF Advisors and RAF Learning Lab state of the sector report "Pathways to Prosperity" were presented.



*Participants in SAFIN Steering committee and plenary meetings held in New Delhi during 10-11 November 2019*

## ■ APRACA Secretary General meeting with the IFAD officials in Bangkok on 6 December 2019

The Country Programme Managers of International Fund for Agriculture Development (IFAD) from Bangladesh and Pakistan visited APRACA Secretariat

and met the Secretary General to explore areas of collaborations in the Asia-Pacific region to develop agricultural finance and capacity of APRACA member institutions.



*The Country Programme Managers of IFAD in APRACA Secretariat Bangkok*

## ■ APRACA Secretary General was invited to train the Ethiopian delegates in Mumbai, India

APRACA Secretary General visited Mumbai, India under the invitation of Skydive International (a member of APRACA) to train the delegations from Ethiopian Microfinance Association. The topic of the day-long training was on the recent trends in agricultural value chain finance across Asia-Pacific region. A brief discussion on the blended finance and its opportunities were also discussed.



*Secretary General with the delegates from Ethiopian Microfinance Association in Mumbai, India 9 December 2019*



## Important Announcement






**ANNOUNCEMENT**



**APRACA Secretariat has been moved to new office  
at Chatuchak with effect from 18 December 2019.**

**All are requested to contact the following address:**

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## Next Major APRACA Event



**APRACA-BAAC Regional Policy Forum**  
on  
“Financial Services to Transform Local Economy and  
Competitiveness of Community Business Entities”  
&  
**72<sup>nd</sup> EXCOM of APRACA**

**STANDS POSTPONED TO 23-24 APRIL 2020**  
DUE TO THE PUBLIC HEALTH CONCERNS AS A RESULT OF THE  
CORONAVIRUS OUTBREAK IN THE REGION

INCONVENIENCES REGRETTED



**Registration Open for APRACA member Institutions  
BIRD (NABARD) and APRACA Centre of Excellence Organizing  
International Training cum Exposure Programme on  
“Women Leadership for Sustainable Development”**

Dates: 16-20 March 2020  
Venue: BIRD Campus, Lucknow, India  
Website: <http://www.birdlucknow.in/>

[Please click here to get further details](#)



### Asia - Pacific Rural and Agricultural Credit Association

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