

Executive Summary



The landscape of Agri-SME funds in Africa



Scope of the study

FASA is publishing **its first learning report: “The Landscape of Agri-SME Funds in Africa”**.

This comprehensive study provides an **up-to-date panorama of 175 agri-SME funds across the continent**, offering novel insights and sizing the immense opportunity for funders to drive impact.



Managed by I&P

175

agri-SME funds mapped
across Africa

117

 fundraising -

58

 fully raised funds

First systematic review of agri-SME funds currently raising capital, alongside established funds

Raising \$6bn, out of the \$75bn gap for agrifinance in Africa

79 data points per fund: strategy, instruments, impact, fundraising, team

Investing \$4bn into African agri-SMEs

Median fund **size of \$40M**

New funds fill gaps that the previous generation could not reach

78%

Deploy **investments below \$2M**
(vs. 27% in previous generation)

66%

Are **Africa-based teams**
investing across the continent

18%

Are **Venture Capital funds**,
investing early in innovative
startups



Catalyzing early-stage innovation in food systems through institutional capital



Farm to Feed



Investment Fund: Catalyst Fund

Ticket Size: \$450K

Instrument: SAFE & Seed Equity

Impact Theme: Food Security & Nutrition

Geography: Kenya

Problem & opportunity for impact

In Kenya, **30-40% of the harvest is lost post-farm gate**, costing the economy an estimated \$500m per year. Food loss generates 10% of global greenhouse gas emissions.

Solution brought by the company

Farm to Feed's B2B platform aggregates surplus and "rescue-grade" produce from 6,500 smallholder farmers and sells it to restaurants, caterers, and processors.

To date they sold **2.1 million kg of produce** and raised **farmer incomes up to 41%**, with less **than 1% food loss in its own chain**.

How accessing capital increases impact?

Catalyst Fund was the first investor, providing **venture building support and capital**, which unlocked \$1.2M in follow-on seed funding from other investors.

This follow-on round is enabling the company to scale its operations across Kenya and invest further in its digital platform.

Agri-SME Funds are embedding impact themes

Improved livelihoods

56%

of funds position **livelihoods at the core** (63% on a capital-weighted basis)

Climate integration

54%

of funds put climate at the core (69% capital-weighted)

Food Security

19%

only position food security as core (68% show partial awareness)

Gender integration

35%

place gender at the core (gender-smart)

Affordable protein across East Africa



Hatch Africa



Investment Fund: ARAF

Ticket Size: \$4M

Instrument: Convertible note

Impact Theme: Food Security & Nutrition

Geography: Rwanda, Uganda & DRC

Problem & opportunity for impact

Across Rwanda, and Uganda, rural households depend on low-productivity local chickens that lay few eggs and grow slowly, limiting protein intake and income. Annual per-capita poultry consumption in the Great Lakes region remains a fraction of global averages.

Solution brought by the company

Hatch Africa **breeds and distributes a poultry breed** that is 4× more productive than local birds, through 1,000+ trained agents across Rwanda, and Uganda.

How accessing capital increases impact?

To date, **ARAF has invested \$4M** through a convertible note to support the company's expansion into Uganda and Rwanda, strengthen its production and distribution systems, and deepen its reach in low-income urban and peri-urban markets.

Since ARAF's investment in 2020, the company has **reached approximately 2 million** people in Uganda and Rwanda.

Key takeaways

A DIVERSE LANDSCAPE

117 funds actively fundraising, targeting \$6bn, across investment types, managed by a new generation of Africa-based investment teams.

MORE ADDITIONAL, WITH WIDER IMPACT

A new generation of funds is investing in early-stage businesses, across geographies, and derisking agri-SMEs for follow-on commercial capital. Key impact themes embedded in fund structures: **Livelihoods (57%), climate (54%), gender (35%), food security (19%)**

CONSTRAINED BY FUNDING

The impact opportunity depends on the fundraising success of **emerging fund managers with small fund sizes**, who face a highly challenging fundraising environment.

21 recommendations for donors

- Support **catalytic capital interventions** at scale for the sector
- **Invest in research** to refine the impact opportunity and success factors
- Expand **local-currency financing** for agri-SMEs that impact food security

Who is going to fund this landscape?

Opportunity

\$6bn

with **\$4.6bn** to be raised

Targeted by **117 fundraising funds**

Challenges

65%

First time fund managers

\$40M

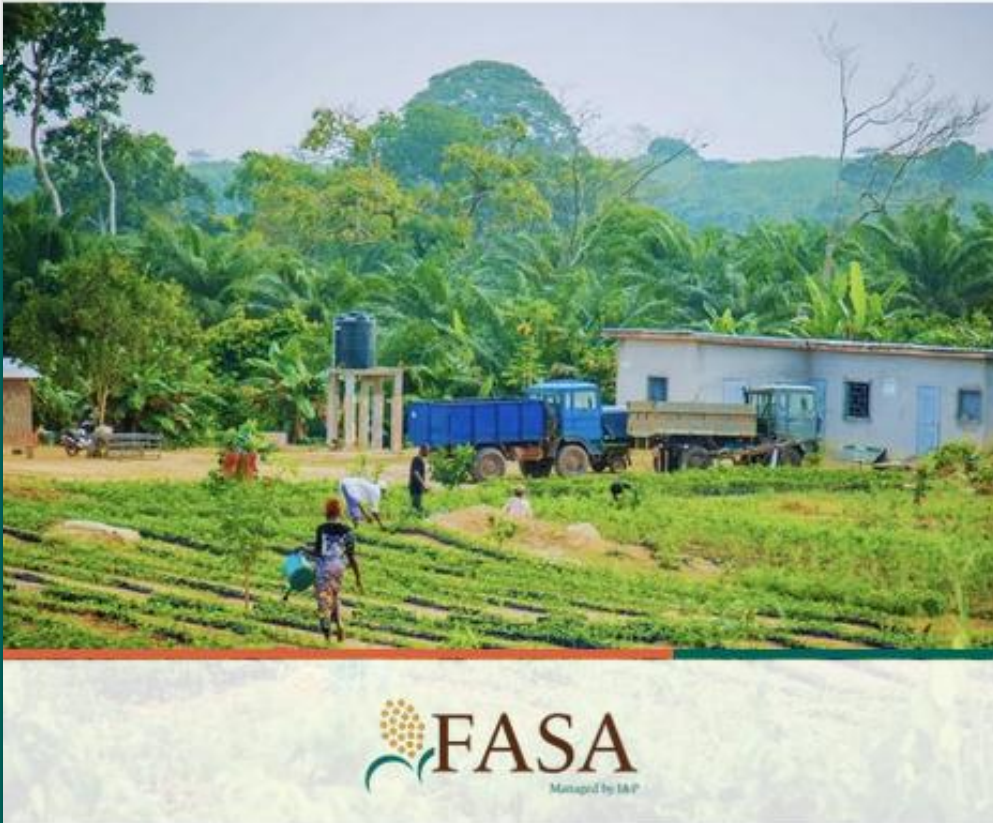
Median fund size

\$1.15bn

Of catalytic capital needed to unlock the full landscape



The landscape of Agri-SME funds in Africa



[Download the report →](#)

