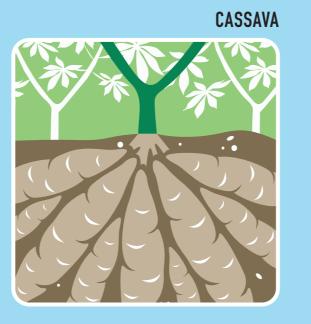


Finance Innovation for Climate Change Fund

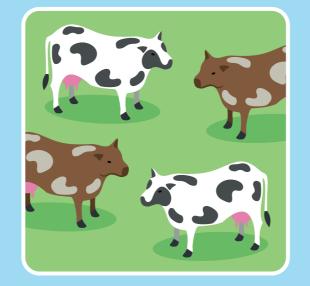
PRIVATE SECTOR ENGAGEMENT IN CLIMATE SMART AGRICULTURE VALUE CHAINS

FINANCE

INVESTING IN CSA ACROSS SELECTED VALUE CHAINS



SMALLHOLDER DAIRY



INDIGENOUS CHICKEN



CLIMATE INFORMATION

DE-RISKING PRODUCTION WITH CLIMATE INFORMATION SERVICES

Downscaled seasonal weather advisories are delivered to actors along the value chain. The national forecast is downscaled to county level and analysed with agricultural specialists through participatory scenario planning to develop an agroweather advisory specific to crops and livestock.

3. SEASONAL AGRO-WEATHER ADVISORIES Delivered to farmers through SMS, public radio, meetings and word of mouth



2. AUTOMATIC **WEATHER STATIONS** Presence at local level allows for ground truthing of forecast

1. DOWNSCALED

WEATHER FORECAST

declared by Kenya

in advance of rains

Metereological Service

National seasonal forecast



2. CROP INSURANCE:

pest and disease

MUTLI-PERIL INDEMNITY

Provides cover for from excessive

rain, hail, frost, fire, windstorm,



DE-RISKING INVESTMENT WITH INSURANCE

Insurance de-risks investment in the

FICCF's CSA intervention is a private sector response specifically targeted at poverty reduction through the selection of commodities with innate climate resilience suitable for smallholder farming essential for Kenya's food security. Combining financial inclusion with a climate/weather lens and increased market linkages is at the heart of the innovation. The multi-layered model has been broken down into components, each of which can be independently implemented.

CAPACITY BUILDING

TECHNICAL SERVICE PROVIDER Support to smallholders includes capacity building on adaptive technologies and practices

SMALLHOLDER FARMERS

Contracted to produce selected commodities with innate climate resilience for identified buyers

> AGGREGATOR Linking smallholders and the formalised market,

sorghum, dairy and indigenous chicken value chains. Hybrid insurance for sorghum involved 2 types of cover: weather index and multi-peril, and was taken up by 160 farmers for 300 acres of sorghum in the first 2017 cropping season.

3. LIVESTOCK INSURANCE: MORTALITY

Dairy insurance farmers took livestock mortality cover for all cows purchased. An insurance product for chickens is in development



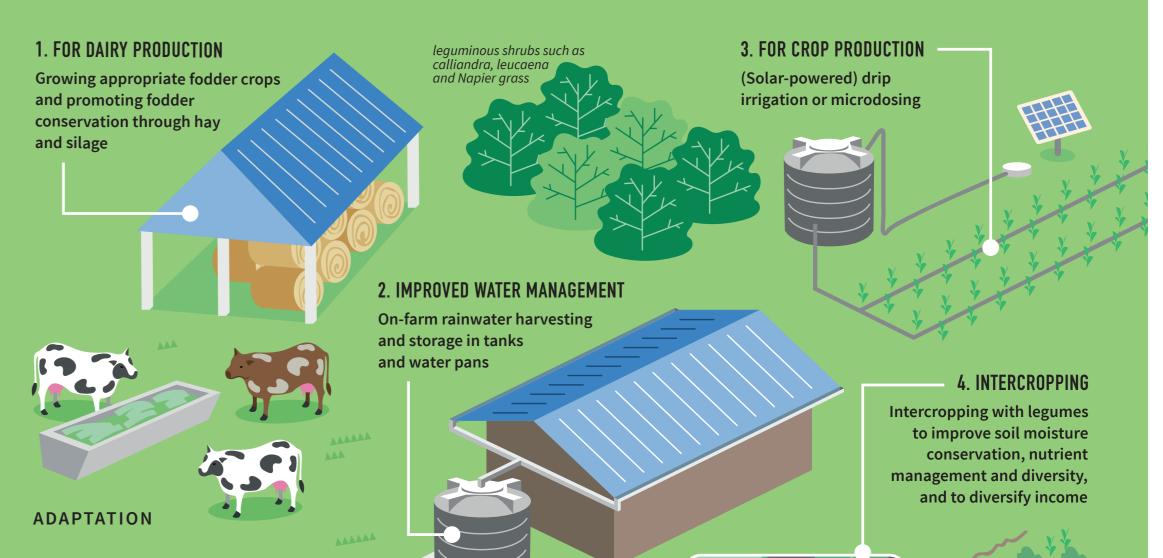


INSURANCE

VESTOCK INSURANCE: WEATHER INDEX

For all animals purchased through loan finance to protect livestock keepers from drought related asset losses. Data still being captured to develop dairy index cover





cutting out middle men and securing the market

DIRECT PAYMENT OR VIA MET

BULK DELIVERY

MFIs & BANKS

REVOLVING

FUND OF

DANS

FICCF provides repayable grants for on-lending to farmers and agribusiness aggregators to invest in climate smart commodities, tech and practices

INSURANCE POLICY ISSUED TO MET

INVOICE DISCOUNTING **END BUYERS** Including millers, food companies, animal feed and industrial processors, brewers, supermarkets, and hotels

INSURANCE ON BEHALF OF FARMER

aggregator and smallholders named in policy

AGRONOMY & VETERINARY SERVICES

BULKING CENTRES

REVOLVING FUND OF LOANS

input and output financing

SECURED REPAYMENT

collateral and guarantees

INSURANCE PROVIDER Weather index insurance and multi-peril insurance for output value

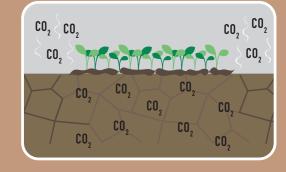
BUILDING RESILIENCE TO CLIMATE EXTREMES & EVENTS

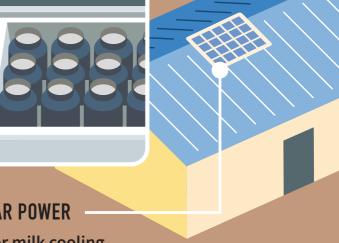
Grant financing to MFIs for capacity building ensures that technical assistance on climate smart approaches are provided to farmers to address climate risks in the selected value chains.

MITIGATION

CARBON SMART: REDUCING EMISSION INTENSITY

Promoting energy efficiency and use of renewables along the value chains. Carbon smart practices such as reduced-till systems can be used in conjunction with cover crops/organic mulches to reduce carbon emissions.



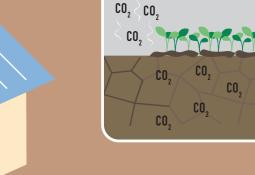


1. CONSERVATION TILLAGE

and increase energy efficiency

Applying minimum tillage practices (e.g.

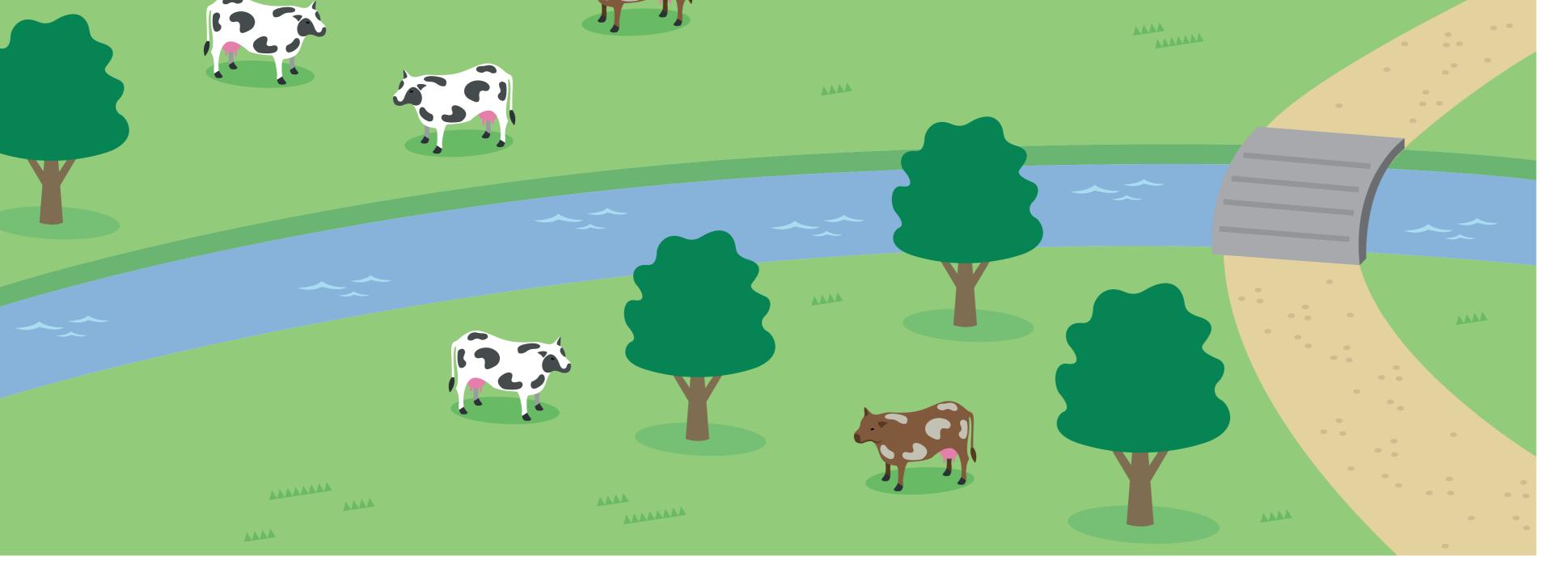
chisel plough) to reduce soil disturbance



4. BIOGAS Promoting biogas in place of fossil fuels or firewood

2. SOLAR POWER Used for milk cooling, temp. control for transporting processed chicken, lighting and water heating **3. SUSTAINABLE PUMPS**

Replacing diesel pumps with solar or treadle pumps to lift shallow water for irrigation





For more information: Finance Innovation for Climate Change Fund info@ficcf.com | ficcf.com | starckplus.com

