Opening Keynote, Financing Agri-Food Systems Sustainably – FINAS 2026

Finance as a Lever for Change: channelling finance, investments and innovation towards positive social & ecological outcomes

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Distinguished guests, colleagues, farmer cooperatives – good morning

Let me first congratulate the Ministry of Agriculture and Livestock Development, and the FINAS Secretariat, for bringing us together — and for this year's theme: towards a sustainable financial architecture for Africa's food systems. It is my honour and privilege to kick start this dialogue.

Let me begin my keynote with a heroine, all good stories need a good hero or a heroine. Call her Mwende. Mwende farms two acres in Makueni, and she grows tomatoes and onions — not for the region or export markets but for families in Machakos, in Nairobi, in Mombasa. She grows the food we actually eat.

Mwende is a good farmer. Her mother farmed this land, and her grandmother before that. But Mwende is farming a climate her grandmother would not recognise. The rains that came in March now come in April, or not at all. A season she could once read, she now gambles on.

And here is the thing I keep coming back to. When Mwende needs money for a phone, she has it in minutes. For school fees, there are digital lenders. For a funeral, the chama will rally. But when she needs to put in a drip line before the rains, buy certified seed, or

hold her onions for six weeks in a dry and safe place until the price recovers — **finance that is fit for purpose** gets harder to find.

We seem to have built a financial system that reaches Mwende for almost everything — and in a timely, customized way. **Everything except the harvest.** Everything except the one thing that feeds the rest of us.

That is not an accident of markets. It is a set of choices — about what we count, what we price, what we are willing to back. But that is the thing about choices: they can be remade.

And let me be fair: Mwende's farming is not unfinanced. The input dealer, the SACCO, the trader at the gate, the relative who remits money home — someone backs her every season. Africa's food is financed. Just not well enough, and not certainly not at scale.

Across Africa, agriculture is a fifth to two-fifths of GDP and up to 60% of the jobs. In Kenya, it contributes to about 22 per cent of our economy directly. And yet it receives less than 5% of bank lending — and it has been stuck there for over a decade.

Now set that against climate change. The UN's IPCC tells us that since 1961, climate change has cut Africa's agricultural productivity growth by 34 per cent — the worst of any region on earth. And the World Bank projects that by 2030 — four years from now — climate impacts could push more than forty million more Africans into poverty.

But this is not only a story of risk. It is also a story of opportunity, right here at home. With the National Treasury and IFAD, we as FSD Kenya recently mapped Kenya's own food deficits — the eggs, the milk, the fish, the honey – food we import because we do not grow enough of our own. Looked at the right way, those gaps are not a problem — they are a market. In every one of these value chains are enterprises waiting to be built, and jobs waiting to be created.

And we need those jobs. The last FinAccess survey told us something we cannot ignore: our young people are walking away from farming. **So this is the question underneath the question — we will not secure our food if farming holds no future for those meant to inherit it.**

We are under-financing the one sector that feeds us, in the very decade climate is making it hardest to farm. And the hard part is, this was not even deliberate. When the rules were written — Basel, our own prudential norms — Mwende was simply never in the room. She wasn't designed out. She was just never designed for.

We in this room know the answers, and have for a long time. Agriculture needs longer tenors. Repayment must follow the harvest, not the calendar quarter. Naming it again is not progress.

I tell my team, all the time — probably to the point of being annoying — let's be clear about the problem we are actually trying to solve. And here is my attempt. The problem is not what Mwende needs; we all seem to know the answers to that. **The question is what stops the system from delivering it. And that — the architecture — is where I want to spend the rest of my time.**

Let's start with the first building block - The Rules

Because that is where the exclusion is written. When Mwende's loan is restructured after a drought she did not cause, prudential rules call it a bad loan. When her income arrives in two lumps a year, a ninety-day loan classification standard makes her delinquent. When she has no title, she is "the one with no collateral". These rules were written for a salaried borrower in Nairobi — and we have quietly shut out the woman who feeds Nairobi.

So here is my ask to the policymakers and all of us in this room — and I know it is easier said than done. **We need prudential treatment that gets finance flowing to agriculture without putting the stability of our financial sector at risk.** Not a blunt quota, but something more deliberate: the right incentives, the right risk-sharing, steady investment in farm and farmer data — with Mwende kept at the centre.

Recognise a partial guarantee and a crop insurance policy for what they are — real reductions in risk and the Basel framework already lets us price that. Let a loan's classification follow the harvest, not the calendar — India among others is one country that already does this. Accept a warehouse receipt or a forward contract as collateral, so a farmer without a title is not a farmer without credit. And use public and concessional money to take the first loss — moving real risk off the balance sheet rather than pretending it away.

Done this way, agriculture becomes safer to finance. It also protects our financial system.

That brings me to the second building block - Data

Underneath the rules sits a deeper problem: we cannot lend to whom and what we cannot see. Mwende's plot, her soil, her rainfall, her repayment record — invisible to a financial institution today. And even when it is visible, is it accurate enough to bet a depositor's money on?

So we need shared information infrastructure — farmer, land and soil data, cooperative records, climate data **— data that is recent, reliable, verifiable, held as a public good** that a lender or an insurer can build on. In Kenya, I am happy to note we are already pushing in that direction with KIAMIS and KALRO and there are several sessions today and tomorrow where we will learn more about this.

However, 20 years of being a market facilitator working on making financial markets work for the poor – has taught us one important lesson. Innovation is not automatically inclusive. The same digital tools that widen reach can deepen exclusion — for the farmer **without a smartphone, an ID, connectivity, or trust.** Judge an innovation by whether it solved a real problem for Mwende, not by its downloads or how cool it sounds. Technology is only a means to an end – not the destination.

3rd layer of this architecture -- Finance for the cash flows of food

Let's design finance for the way food actually moves, and for the climate it now moves through. Mwende's resilience is not a single product. It is a series of products and a system.

She needs savings she can reach and insurance she can afford. When you bundle insurance with a loan, a farmer is up to 25 pp more likely to get credit — and an insured farmer invests more in her land. Insurance is what gives a bank the confidence to lend, and a farmer the confidence to plant.

She also needs asset finance — for the drip line, the small machinery, the cold store that keeps her tomatoes from spoiling before her crops reach the market, where fruit and vegetable losses here run as high as forty to fifty per cent. None of this works on short, expensive money. It needs patient, blended capital — first loss, longer tenors, real risk shared. **And it must be genuine adaptation finance, not ordinary credit wearing a green label.**

But financing Mwende to grow more is only half of it. If her tomatoes rot for want of a buyer, or leave the county as raw produce, little changes. The real prize is financing the the small processor near the farm gate — where her crop becomes something that keeps, travels, and earns more – maybe Mwende's tomatoes can be exported as tomato pase or even pasta saunce. That is how value stays in the county. And that is where **the jobs are — the jobs that make farming something a young person chooses, rather than escapes.**

And through all of it runs one test –ecology - perhaps the most important one. For Mwende, restoring her soil is not a green project — it is how she survives the next dry season. A financial system that funds the harvest while running down the land it grows on has not solved the problem. It has only postponed it.

I realise it is hypocrtical of me to challenge all of us without mentioning what we as FSD Kenya plan to do about. Well, for the next 10 years we plan on doubling down on 3 very interconnected bets:

1. **Making credit and information for credit markets work** and this includes working with everyone here on changing the rules, helping put in place informational architecture that allows lenders and insurers to come in and design for Mwende. We have already started that journey with multiple partners including CIS Kenya, industry associations, bankers, and SACCOs in the room.
2. **Inclusive finance for Sustainable Agri-food systems**: moving — savings, moveable collateral backed credit, and insurance — for risk prevention, mitigation, risk coping and risk recovery. For example - As FSD Kenya's livestock insurance work, begun with a handful of pastoralists in Marsabit in 2010, now reaches three hundred and fifty thousand households across twenty-one counties.
3. **Finance for MSME growth** – especially agri MSMEs that turn Mwende's harvest into value creation, into income and jobs. FSD Kenya has already kick started this journey with the support of FCDO through our SUED or Sustainable Urban Economic Development Program. We have provided seed capital to the tune of 10MN pounds to 21 agro processing companies who have leveraged that more

than 3x to invest about 45MN pounds locally with the aim of creating more than 90K jobs in the next 5 years.

Let me end where I began — with Mwende, in Makueni, watching the sky. Mwende needs a financial system built for her reality, against a climate crisis she did not cause but must farm through anyway.

That is the work of the next three days. Africa's food is already being financed, on the thinnest of margins, by SACCOs and input dealers and chamas and the diaspora. We need the formal system, and its rules, to catch up with what already works — and to keep Mwende in the room while we do it.

Again, I welcome you all to FINAS 2026. My thanks to the Government of Kenya, and to the two Cabinet Secretaries whose leadership anchors this conversation; to the governments of Ireland and Germany, for standing with this agenda; to IFAD, AGRA, UNDP and partners across the continent, for the hard work that brought us here; and to the FINAS Secretariat, for this platform.

We have the tools. We have the evidence. What we need now is to remake some of these design choices – towards building a financial architecture that truly works for Africa's food systems.

Thank you.