

Strategy and Knowledge Department

# WASAG – Financing mechanisms The 3 pillars approach in PROCAVA project, Mozambique

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# WASAG: the Global framework on Water scarcity in Agriculture

### De-risking / risk sharing activities for smallholder farmers

Financial de-

risking & risk sharing tools

#### **Financial tools:**

- Access to credit guarantee facilities
- Access to insurance facilities

#### Non financial interventions:

- Secure access to land and water
- Sustainable environment and NRM management
- Mainstream climate change adaptation
- Social inclusion: gender, youth, other vulnerable groups
- Building and strengthening smallholders' institutions

## Non financial interventions:

- Improved crop and animal husbandry practices
- Improved nutrition value of food
- Public sector capacity building and strengthening
- Facilitate market linkages (inputs and outputs)
- Improved technology along the value chains
- Business management skills development
- Effective engineering, procurement, construction of facilities
- Reliable infrastructure (transport, water, energy...)

Market pull:

quality and quantity supply gap

(red meat, cassava,

legumes, horticulture)

Presents value

addition (processing)

opportunities

Leading to

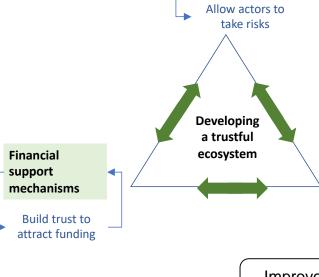
productivity and production

improvement

opportunities

# Improving access to finance for smallholders - Grants and subsidies

- Grants and subsidies facilities
- Credit and equity facilities
- Public / private funding of the above
- Mix of the above (blended finance)



Poverty reduction, and More resilient livelihood

Generate and capture value

On-the

ground

Improved food and nutrition security

Improved household net income from farming



Creating value for smallholder farmers