SWITCH AFRICA GREEN
Parallel sessions for Advancing Green Business and Promoting Circular Economy in Africa

Advancing green business through policies and green financing

Group 1
Moderator: Mr. Felix Okurut, Ministry of Agriculture, Uganda
Panelist

- Africa Agriculture and Trade Investment Fund (AATIF) – Ms. Sheila Karue, United Nations Environment Programme (UNEP)
- Innovative Financial Instruments and Mechanism for MSMEs – Mr. Michael Omwony, Uganda Development Bank
- Increasing Prospects for Green Financing – Mr. Godfrey, Twinamatsiko, Stanbic Bank, Uganda
Dialogue expectations

• The dialogues will be conducted as four (4) parallel sessions.
• For each dialogue, there will be three panelists who will set the scene on that specific session.
• The discussions should focus on identifying key policy directions in the form of actions by policy makers, MSMEs, private sector, sub-regional and regional bodies including financial institutions.
• The identified opportunities and key policy actions will be captured in the Kampala Communique - a road map to actualization of green business development in Africa.
• Participants should not focus on the usual challenges (lack of finance, capacity, technology, awareness, infrastructure, weak policies, lack of political will) but give solutions that can help overcome challenges and spur replication and scaling up.
• The participants should suggest tangible recommendations that can be in an action plan.
Policies and Opportunities

- Green capital financial channels eg banks, micro finance, insurance companies, AATIF
- Favorable government policies
- Increased concern on climate change and greening (SDGs)
Challenges

- Low level policy dissemination and enforcement
- Lack of green financing infrastructure
- High risks in agriculture
- Narrow base of green finance instruments
- High interest rates
- Inadequate collateral base to access green finance
- Lack of technical skills by MSMEs
Challenges

- Scattered and individual nature of farmers
Solutions

- Disseminate and enforce policies
- Develop a database of information on green financing, polluters
- De-risk the agricultural sector
- Explore other green financing instruments such as green insurance bonds, capital venture/markets to raise capital
Solutions

• Benchmark other countries in Africa with low interest rates e.g. Mauritius 3%
• Focus on non collateral securities like debentures, guarantee
• Encourage formation of groups
• Capacity building for MSMEs/Technical assistance
Recommendations

- Advocate for blended financing (Grant and loan)
- Focus on Value addition, Tax contribution, employment and Environmental impacts
- Prepare Green financing policies and strategies
- Incentivize Organic Agriculture e.g. reduction of residues, Tax holidays, VAT waivers
Project Partners

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Other partners:
THANK YOU!