Optimizing the Sorghum Value Chain in Ghana

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Barclays- a substantial commitment to Africa

Barclays Africa Group Limited

- Headquarters: Johannesburg, SA
- Listed: JSE
- Total Assets: ZAR 962bn (£55bn)
- 12 countries
- 12+ million customers
- 1,200+ branches
- 42,000+ employees

Barclays Africa Group presence
Barclays - a substantial commitment to Africa

Uganda Established 1927
Ghana Established 1917
Zambia Established 1918
Zimbabwe Established 1912
Botswana Established 1950
Absa South Africa Established 1986

Egypt Established 1864
Kenya Established 1916
Tanzania Established 1925
Seychelles Established 1959
Mauritius Established 1919
Mozambique Established 2002

Barclays Africa Group presence
A Centre of Excellence for Agribusiness

Barclays Africa Agribusiness

- **A dedicated team** - 46 Agribusiness specialists, aligned under a single, customer-led strategy
- **Execution at local frontline** - across all business units, serving over 20,000 clients
- **Centre of Excellence** - headquartered in Johannesburg
- **A dedicated credit sanctioning team** - working closely with the Agribusiness team
Barclays- West African banking focused in Ghana

Barclays Bank Ghana

- **Regional hub in Ghana** - whilst continuing to grow capabilities in the West African region through expansion into Nigeria and through partner banks in Togo and Cameroon

- **Barclays Bank Ghana – an extensive footprint**
  - Established 1917
  - 2,000 employees
  - Over 550,000 clients
  - 68 branches, 12 customer support centres and 126 ATMs

- **A dedicated Agribusiness team** - led by Barclays Bank Ghana’s Head of Agribusiness, currently offers:
  - Trade finance and invoice discounting
  - Cash management services
  - FX on funding received from abroad
  - End-to-end supply chain solutions
The Sorghum Value Chain Partnership, Ghana

Solution Structure – designed by Barclays

Farming inputs

Support, Education

Input & purchase finance

Working Capital financing

Guarantees off-take and price

Guinness Ghana Breweries Ltd

Farming inputs

Farmers

Farmers

Farmers

Sorghum

Sorghum

Aggregators

Input & purchase finance

Working Capital financing

Support, Education

Sorghum

Guinness Ghana Breweries Ltd
## Challenges

- **Multi-partner co-ordination** - on a brand new initiative across several countries, companies & teams
- **Measuring performance** - Balancing, tracking and measuring commercial and social performance
- **New product development** - and accompanying services
- **Tight timing** - Little room flexibility being bound to crop seasonality

## Outcomes

- **Increased local sourcing** - Assisting GGBL in meeting targets
- **Social impact** - 800+ farmers have benefitted from finance and 6,000+ from education
- **Commercially viable** - new business opportunity in an under-banked market segment
- **Shared value** - Strengthening relationships with clients, partners, community, government around mutual benefits
Sorghum Value Chain Lessons & Replication

- Multi-national off-takers, manufacturers and commodity traders
  - Lower risk, good access to bank finance, capital markets and finance from parent
- Industrial Agribusinesses
  - Traditional bank clients, good access to finance
- Co-Ops & Aggregators
  - More specialist finance, micro-finance candidate
- Smallholder farmers
  - Difficult to finance through traditional funders
End-to-end value chain optimisation which addresses both multination corporates’ and bottom-of-the-pyramid financing needs, requires partnerships between commercial banks, micro-financiers and NGOs.

Success through Partnerships

- Smallholder farmers
- Co-Ops & Aggregators
- Industrial Agribusinesses
- Multi-national off-takers, manufacturers and commodity traders