

INVESTMENT CASE STUDY

BREWING UP A SUCCESSFUL AGRIBUSINESS

Our investment of \$2.9 million in ECA, Mozambique, has been used to engage over 6,000 smallholder maize farmers in a formal marketing system, linking them to large-volume processors in the brewing industry. ECA made record sales in 2016 and was granted 'preferred supplier' status for grits by one of the largest breweries in the region.

Innovation, on many levels, has been key to ECA's success. The business model relies exclusively on smallholder farmers who receive both high-quality inputs and training. Technical innovations include a state-of-the-art maize mill, designed for use in rural areas, and the introduction of mobile phone payment services. ECA has also developed its own successful brand of fortified maize flour to diversify sales opportunities.

ECA is on track to realise its aim to boost the incomes of up to 10,000 farmers through its growing smallholder network and strong industry connections.

THROUGH ECA, THOUSANDS OF SMALLHOLDERS HAVE BEEN CONNECTED TO LARGE INDUSTRIAL CLIENTS, WHO OFFER RELATIVELY STABLE PRICING AND VOLUMES IN RETURN FOR IMPROVED GRAIN QUALITY AND SERVICE. THE ECA MODEL HAS PROVED ITS COMMERCIAL WORTH AND HAS THE CREDIBILITY TO BE REPLICATED ELSEWHERE.