

Pledge 2

We join the collective to make digital agrifood solutions *viable*



Our organisation [insert name], as a member/endorser of the **Digital Agrifood Collective**, acknowledges that we can play an important role in realising commercial viability for digital agrifood services and will therefore commit to explore the following strategies and principles (more details about the principles can be found on the next page).

As a digital service enabler, we commit to explore our role in:

- 1. Partnership brokering**
- 2. Access to private capital**
- 3. Market development**
- 4. Data policy**
- 5. Ensuring a level playing field**

Signed on [write date]

by

[Insert name and leadership title] [Name of Organisation]

The **Digital Agrifood Collective (DAC)** is a collective of organisations that exchange learnings and align strategies to collectively remove barriers that stand between newly developed digital services and the thousands of agribusinesses and millions of low-income producers (and consumers) that could benefit from these. By removing barriers together, we aim to accelerate an inclusive digital transformation of agrifood value chains in Sub Saharan Africa and Southern Asia. <https://www.nlfoodpartnership.com/food-systems-transformation/comm-of-practice/digital-agrifood-collective/>

Pledge 2 details

To help you realise proposed strategies in this pledge, consider the following principles that were co-created with DAC members that attended the member workshop on October 6th, 2021.

Digital service enablers (Food security programs, donors, investors, etc.)	
Strategies	Principles
1. Partnership brokering	Service enablers can play an important role in making connections between digital service providers and B2B customers that are new to them such as large agribusinesses. Similarly, startups could benefit from partnership brokering when they seek collaboration with large institutions like MFIs, Banks and Telcos.
2. Access to private capital	Service enablers need to mobilise (angel/impact) investors and help establish relationships between digital service providers and investors. When service enablers provide grants to service providers (such as startups) for the development and piloting of new solutions, these funds can be leveraged to attract private capital from the investors.
3. Market development	Service enablers can cost-share the investments needed for mass digital literacy training and behavior change campaigns of smallholder farmers. For many service providers, these market demand creation activities among smallholder farmers are too costly.
4. Data policy	Service enablers need to liaise with other enablers and stakeholders to establish industry standards, in particular for fair data policy. This allows service providers to better manage how they combine data streams, broker data sharing when working in partnerships with governments and institutions. Also, service enablers can contribute to the establishment of safe databanks with vetted Farmer IDs, which reduces the need for service providers to invest in Know Your Client (KYC) processes when identifying and onboarding new farmers.
5. Level playing field	Service enablers need to create equal chances for service providers by, for example, eliminating bias towards larger and foreign owned companies. Donors should also be cautious about not oversupplying the industry with grants as this might cannibalize the market when the grants are used to provide free or highly subsidised services.

Other strategies from the survey and workshop that are less prioritized by members, and therefore not included in this pledge are:

1. **Pipeline alignment:** *Service enablers can exchange on what companies they work with and which ones they would vouch for*
2. **Learning capture:** *Service enablers that conduct research on success factors for commercial viability, could share best practices.*
3. **Coaching & Advisory** *Service enablers can play an important role in building the business capabilities of entrepreneurs.*
4. **Establish long-term PPPs** *Service providers can help establish Public-Private Partnerships in poorer markets or for very costly services. Sometimes services cannot become commercially sustainable due to a lack of financial resources with farmers and other value chain actors.*
5. **Results based finance:** *Service enablers can explore alternative financing instruments such as RBF which, in comparison to grants, introduces stronger incentives for service providers to sell their service and commercialise their business.*
6. **New market entry:** *Service enablers can help scale services into geographies that would benefit highly from the service but that cannot be easily reached or served by service providers.*

Social media package

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