

# LGT Venture Philanthropy – Portfolio organizations

## One Acre Fund (OAF)

### Kenya, Rwanda



#### PROBLEM

- Across Africa over 33 million smallholder/poor subsistence farmers cultivate on less than an acre of land; practicing low-input, rain-fed agriculture. For these farmers, inconsistent and sometimes extreme climatic conditions - such as unpredictable rainfall, drought or floods - pose the most significant threat to their agriculture-based livelihoods and the socio-economic wellbeing of their families.

#### SOLUTION

- One Acre Fund is a non-profit organization working with rural farmers across East Africa to improve farm yields and incomes.
- Since drought remains a major concern to subsistence farmers especially in Kenya, the organization offers its farmers weather-based insurance.
- As OAF grows its membership and expand its operations, drought will present a significant operational threat to the organization itself and put a strain on internal resource availability.
- LGT Venture Philanthropy supports OAF with additional risk coverage through access to a yield-indexed draw-down facility, freeing up resources to facilitate growth and program expansion

#### LGT VP ENGAGEMENT

- A USD 600'000 harvest yield-indexed draw down facility
- OAF is part of LGT's Employee Donation Program.
- OAF has access to LGT Venture Philanthropy's iCat's fellowship program and network; and receives ongoing mentoring support.



One Acre Fund helps smallholder rural farmers across East Africa grow their way out of hunger and poverty by providing improved seed, market access and insurance against crop loss

#### IMPACT

- Since inception in 2006, OAF has recruited almost 32'000 farming households, tripling farm yields for staple crops from 0.5 to 1.5 tons per acre and doubling farm-gate incomes.
- OAF seeks to reach over 100'000 smallholder farm families by 2013 - improving their farm income streams and livelihoods.

Impact	2008	2009	2010	2011e	2012e	2013e
Active farmers	4'100	12'000	31'964	40'000	70'000	100'000
Number of districts	5	5	8	8	10	12
Sustainability*	30%	45%	63%	75%	89%	100%

\* Field program sustainability = Farmer repayments/Field operational costs