Fully washed Coffee - Challenges

- Low productivity
- Inefficient and outdated equipment
- Unpredictable cherry/coffee prices
- Lack of access to finance
- Lack of technical/management expertise at rural level
- Fraud – Ke, Tz esp at producer organizations
Fully washed Coffee - Challenges

- Poor agronomic practices
- Lack of agricultural inputs/reliable markets
- Short term approach to farming, limited replanting and new fields
- Price Risk
- Devolution – new Gvt oder - Ke
- Coop board transitions not always smooth – Ke
Fully washed Coffee - Opportunities

• Introduce systems – accounting/inventory etc and controls early in time
• Introduce complimentary crops/incomes sources – bananas, macadamia, Diary
• Improve partnerships – Gvts, coffee boards, Naeb, SNV, Technoserve, USAID, Financiers
• Duplicate success stories for biz/coop management oversight e.g Rwashossco
GROWING RURAL PROSPERITY
“We had the accounting software installed prior to the training from Root Capital, but we didn’t know how to use it,”

- Alicia Hernandez, Triunfo Verde Internal Credit Manager, Mexico

“You have to be able to produce at least one container a month and that requires a scale of financing we could not provide on our own.”

- François Locoh-Donou, CEO, Cajou Espoir, Togo
Training + Credit = Business Growth
Finance: How We Do It

Value Chain Finance: A Cash Flow Lending Model

1. ORDER GOODS
2. MAKE LOAN
3. SHIP GOODS
4. PAY FOR GOODS
5. REMIT PAYMENT

Small & Growing Businesses

Buyers

root capital
Where We Work
Global presence in more than 25 countries

10+ languages
15+ nationalities

100+ staff
50% in field offices
Loan Use Examples

Short-Term Trade Credit (up to 18 months)
- Oriented around the harvest or production cycle
- Used to finance the purchase and sale of agricultural or craft products

Long-Term (up to 5 years)
- Used to invest in processing equipment, infrastructure, or general operations.
## Loan Portfolio Overview

<table>
<thead>
<tr>
<th></th>
<th>Range</th>
</tr>
</thead>
<tbody>
<tr>
<td><strong>Loan Size</strong></td>
<td>$50,000 - $2,000,000</td>
</tr>
<tr>
<td><strong>Interest Rate</strong></td>
<td>Local commercial lending rates in US dollars, Euros, Pounds Sterling and Local Currencies</td>
</tr>
<tr>
<td><strong>Tenor</strong></td>
<td>6 months - 5 years</td>
</tr>
</tbody>
</table>
SERVICES WE PROVIDE:

Centralized Workshops

One-on-One Trainings
WHO DO WE WORK WITH?

- Current Borrowers
- Prospective Borrowers
Thank you.
For more information, contact:

Fred Kitenge,
fkitenge@rootcapital.org