5TH ANNIVERSARY

GIRSAL
Your Support for Agric Lending

Cultivating Growth: Five Years of Empowering Ghana's Agriculture Through Innovative Finance and Technical Support

www.girsal.com

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ABOUT US

Ghana Incentive-Based Risk Sharing System for Agricultural Lending (GIRSAL Ltd) was established in 2019 as a non-banking financial institution and is registered as a limited liability company owned by the Government of Ghana through the Ministry of Finance.

5TH ANNIVERSARY

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GIRSAL's core objectives are:

To de-risk agricultural financing by providing innovative risk-sharing mechanisms, that make lending to agribusinesses less risky.

To stimulate increased lending to the agricultural sector by offering credit risk guarantees and technical support to encourage, incentivise and support financial institutions to provide more loans to agribusinesses.

Improve the overall conditions around agricultural lending by working with partners to address barriers that make it difficult or unattractive for financial institutions to lend to the agricultural sector.

AREAS OF OPERATION

Delivery of these core objectives revolves around 6 operational pillars

- **Credit Risk Guarantee Scheme**
- **Policy & Advocacy**
- **Technical & Advisory Services**
- **Information Resources**
- **Bank Rating Scheme**
- **Value Chain Development & Other Initiatives**

OUR PARTNERS

Partner Financial Institutions:

CalBank
Stanbic Bank — A member of Standard Bank Group
FIDELITY BANK — Believe with us.
NATIONAL INVESTMENT BANK
Ecobank — The Pan African Bank
Republic Bank — We're the One for you!
access
OmniBSIC BANK
PRUDENTIAL BANK — ...Truly dependable
CBG — CONSOLIDATED BANK GHANA
universal merchant bank — you first
standard chartered
adb — agricultural development bank
BANK OF AFRICA — GROUPE BANK OF AFRICA
Letshego — Let's improve life
ADVANS GHANA
GCB
First Atlantic Brokers
ZENITH
absa
Maltaaba — Community Bank
EXIMBANK GHANA
EAST AKIM RURAL BANK LTD.
Wangara Green Ventures
OYA — OYA Capital Limited
Nsutaman Rural Bank Limited
KWAHU PRASO RURAL BANK LTD
Nsoatreman Rural Bank LTD
Injaro
MANYA KROBO RURAL BANK
SV MF — SUMMIT VISION MICROFIN SERVICES LIMITED
TOMDIBI RURAL BANK LTD. — AFEBILLA
AMENFIMAN rural bank
LARUB
GROWTH INVESTMENT PARTNERS

Government

BANK OF GHANA EST.1957
REPUBLIC OF GHANA — MINISTRY OF FINANCE
MINISTRY OF FOOD & AGRICULTURE

Technical and Operational Partners

DBG — Development Bank Ghana
NATIONAL BANKING COLLEGE
YARA
VP GROUP — Growing In Harmony
ARB APEX BANK LTD.

PARTNER TESTIMONIALS: GIRSAL'S IMPACT ON AGRIBUSINESS FINANCE

GIRSAL's partnership has been transformative for Fidelity Bank's agricultural lending over the past five years. Their comprehensive support, including technical expertise in credit evaluation, practical field-based training, risk-sharing guarantees, and collaborative project monitoring, has been crucial to our success in the agricultural sector. GIRSAL's industry knowledge and guidance have enabled us to make informed lending decisions, resulting in improved portfolio growth and quality.
Mr. Alex Agyei Amponsah, Director, Commercial and SME Banking, Fidelity Bank

GIRSAL has revolutionized our approach to agricultural financing. Their intervention has mitigated risks, expanded our horizons, and built our capacity in the agribusiness sector. Through comprehensive training, technical assistance, and their guarantee scheme, we've been able to confidently finance larger projects, including successful ventures like NARUBIZ in the rubber industry. GIRSAL's support has reshaped our agricultural portfolio, particularly in executing 1D1F transactions, and has opened our eyes to the potential of large-scale commercial farming.
Mr. Linus Kumi, Head of Corporate Banking, GCB Bank PLC

GIRSAL has fundamentally transformed our approach to agribusiness financing. The guaranteed scheme and comprehensive technical assistance have instilled confidence in our lending decisions, enabling us to view agriculture as a holistic value chain rather than just farming. The agriculture and agribusiness lending training to our staff has enhanced our understanding and execution of agricultural projects. Their involvement in monitoring these businesses has significantly improved our portfolio performance.
Mr. Gerald Quartey, Director for Credit Risk, Consolidated Bank Ghana (CBG)

GIRSAL's guarantee and technical assistance have given us and our investors the confidence to engage more deeply with the agricultural sector. Their partnership has helped us build a rich, diverse portfolio of viable agribusinesses, improved our bottom line, and opened doors to international opportunities. GIRSAL's support has truly illuminated the path for us in the agribusiness space, allowing us to make informed decisions and create a lasting impact in Ghana's agricultural sector. GIRSAL has helped transform Oya Capital's approach to agribusiness financing.
Mrs. Rita O. Ackom, Executive Director, Corporate Finance, Oya Capital

Our partnership with GIRSAL over the years has supported Absa Bank's agribusiness portfolio, we have seen exponential growth, moving from a few million to hundreds of millions in agribusiness financing. The pre-assessment visits and post-disbursement monitoring facilitated by GIRSAL have significantly improved our risk management, hence boosting our asset book and income from agribusinesses. GIRSAL's comprehensive training program has also been instrumental in developing our staff's expertise, from operational levels to top leadership and board members, enhancing our ability to structure tailored transactions for agribusinesses, this has positioned us to make a lasting impact on Ghana's agricultural sector, one success story at a time.
Mr. William Nettey, Head of Agribusiness, Absa Bank

ACHIEVEMENTS & IMPACT

Credit Risk Guarantee Scheme (Aug 2024)

35
Partner financial institutions

GHS 1.2+ billion
in GIRSAL guaranteed agricultural loans issued by partner FIs

GHS 100 million
disbursed by PFIs to agribusiness based on GIRSAL expert assessment without guaranteed cover

137
agribusinesses financed by FIs with GIRSAL guarantee cover

1% to 6%
reduction in interest rates on GIRSAL guaranteed loans

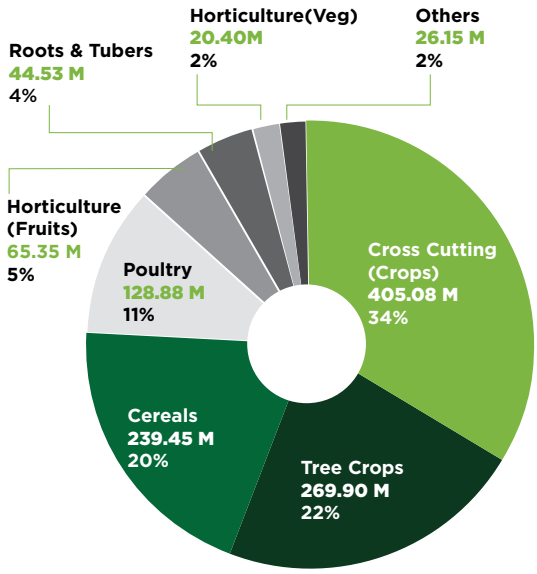
GHS 1.34 million
has been saved by agribusinesses in interest payments due to the reduction in interest rates

2,990+
direct and indirect jobs created and sustained by agribusinesses that benefit from guaranteed loans

67,000
farmers and farm workers positively impacted by projects funded through GIRSAL-guaranteed loans

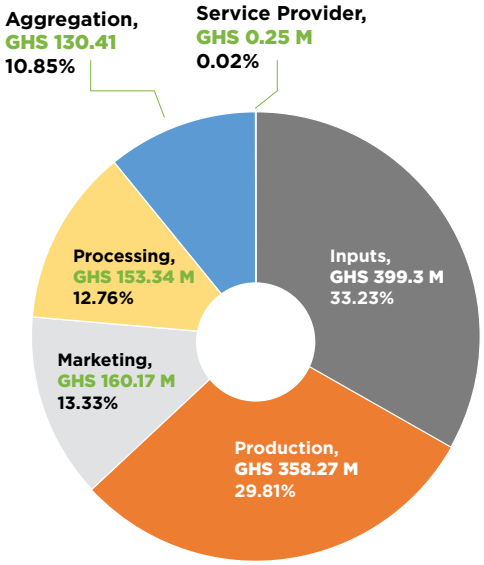
USD 25 million+
in export earnings generated by projects funded through GIRSAL-guaranteed loans

GIRSAL Guaranteed Loans By Sub-Sectors

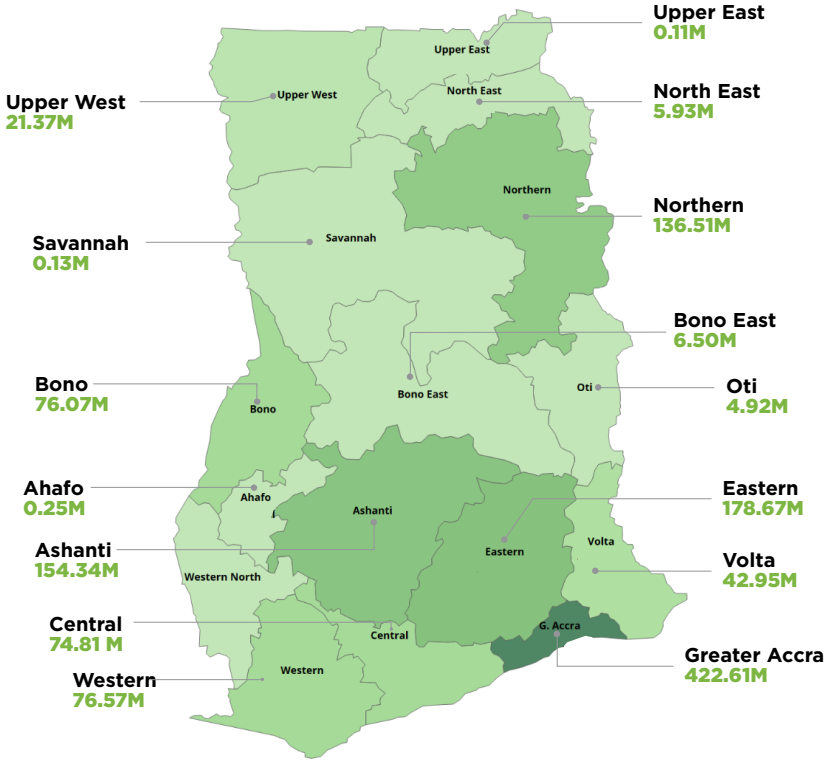


**cross-cutting (crops) represents guaranteed loans to agribusinesses for more than one crop value chain*
***others represent guaranteed loans to Spice, Legumes, Aquaculture and Livestock*

GIRSAL Guaranteed Loans By Value Chain Activity (As of August 2024)



Value Of Loans Guaranted By Region (IN GHS)



Several agribusiness-related players have indirectly been impacted by GIRSAL guarantee loans, although no direct borrowers reported being based in that region (especially those involved in aggregating cocoa beans)

ACHIEVEMENTS & IMPACT

Technical & Advisory Services - TAS (September, 2024)

700
mid-level staff from financial institutions trained to effectively assess and manage risks in agricultural lending.

181
senior bank executives and board members from 9 financial institutions reached through targeted capacity-building sessions on agricultural lending

47
financial institutions participated in the training (21 Commercial Banks, 14 Rural and Community Banks, 5 Microfinance Institutions, 2 Savings and Loans Institutions and 5 Others)

199 (28%)
of the training beneficiaries were female, while the males were 501 (72%)

Information Resource
A web-based Agriculture and Agribusiness Lending Knowledge Portal developed, serving as a one-stop information resource hub for financial institutions with information on 33 agricultural commodities

700+
Users from 39 Institutions actively using the Knowledge Portal, with over 6000 visits since November 2020

GIRSAL's Future Outlook

As financial institutions deepen their understanding of the agricultural sector and gain confidence in lending, GIRSAL plans to enhance its support through targeted and specialized services:

- **Targeted Guarantee Scheme:** GIRSAL will focus its Guarantee Scheme on high-risk projects and large-scale initiatives within specific value chains, optimizing resource allocation where it is most needed for growth.
- **Comprehensive Portfolio Management:** GIRSAL aims to become the primary agricultural loan portfolio manager for financial institutions, providing thorough monitoring and management of partner-funded projects.
- **Support for Agribusinesses:** GIRSAL will bolster support for agribusinesses by assisting in the development of bankable projects and improving their appeal to banks for financing.
- **Policy Influence:** GIRSAL plans to work closely with stakeholders to shape agricultural sector policies, ensuring that sector players have a strong voice in developing supportive regulations.

GIRSAL'S AGRICULTURAL VALUE CHAIN DEVELOPMENT INITIATIVE: ADVANCING CHILI PEPPER CULTIVATION FOR EXPORT

GIRSAL's value chain development initiative is part of the company's 5-year Strategic Plan to support and develop export-oriented value chains and increase local production of import substitutes.

Under the initiative, GIRSAL initiated a pilot project in 2023 using innovative shade-net technology to cultivate Bird Eye chili peppers, a high-demand variety in the European Union. Shade-net technology helps control growing conditions, reduce weather-related risks, and improve yield quality.

GIRSAL's goal of the project is to validate the business case for net house chilli production for export, determine precise costs and revenues per hectare, develop a comprehensive blueprint for financiers and agribusinesses, and facilitate market linkages. This initiative also aims to promote production, attract more financing, and export more chili peppers to take advantage of the opportunity and earn more foreign exchange; paving the way for similar successes in other high-value crops.

The project has already seen remarkable progress, with 3.4 out of 4.5 hectares set up across three trial sites, obtaining crucial certifications including GLOBALGAP and SEDEX, and successfully exported 6.14 metric tons under the trial.

VP GROUP — Growing In Harmony

YARA

FEED THE FUTURE — The U.S. Government's Global Hunger & Food Security Initiative

agriimpact LIMITED

MINISTRY OF FOOD & AGRICULTURE

Your Support for Agriculture Lending

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