

FINAS DIALOGUES

DISPATCH - 003

MARCH 2026

Gates Foundation grants \$7M to Rainbow Crops for climate-resilient crops research



Left to Right: **Prof Hilde Nelissen (leading researcher at the VIB-UGent Center for Plant Systems Biology) and Giacomo Bastianelli (CEO of Rainbow Crops) holding Maize.** Photo Credit: Rainbow Crops

Rainbow Crops, a next-generation agricultural technology company developing crop genetics with enhanced complex agronomic traits, has been awarded a \$7 million grant from the Gates Foundation to advance climate-resilient crops research for global food security, especially in sub-Saharan Africa and South Asia.

The funding will support the application of Rainbow Crops' proprietary Trait Foundry™ platform to develop new genetic approaches aimed at improving crop performance under heat and drought stress—conditions that increasingly threaten smallholder farmers in vulnerable regions.





The project seeks to accelerate the development of climate-resilient crops and improve germplasm delivery by identifying and combining beneficial alleles that enhance germination and early plant performance under challenging climatic conditions.

Particular emphasis will be placed on strengthening seedling performance under heat and drought stress, generating both new scientific knowledge and trait-building components to support future breeding efforts.

Rainbow Crops' Trait Foundry™ platform integrates multiplex genome editing, artificial intelligence, breeding and phenotyping to systematically identify and combine optimised genetic variants that underpin complex agronomic traits.

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AfCFTA, AGRA seal new deal to fast-track intra-African food trade



H.E. Wamkele Mene, Secretary-General of the African Continental Free Trade Area (AfCFTA) Secretariat, and Alice Ruhweza, President of AGRA, during the signing of the Memorandum of Understanding. Photo Credit: AGRA

The African Continental Free Trade Area (AfCFTA) Secretariat and AGRA have entered a strategic partnership to accelerate intra-African food trade.

Wamkele Mene, the Secretary-General of the African Continental Free Trade Area (AfCFTA) Secretariat, and Alice Ruhweza, the President of AGRA, signed the Memorandum of Understanding (MoU) on the margins of the 39th African Union Summit on February 14.

The signing of the MoU marks a new phase of cooperation with a strong focus on translating the AfCFTA legal framework into practical outcomes for African agricultural markets.

The partnership comes at a pivotal moment as Africa advances implementation of the AfCFTA Agreement. With 50 countries having ratified the Agreement, attention shifts from legal commitment to practical implementation, particularly in agriculture.

“The AfCFTA offers Africa a historic opportunity to shift from exporting raw commodities to building regional value chains

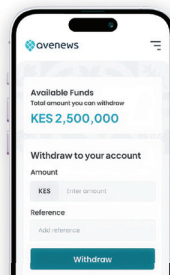
that create jobs, raise farmer incomes and strengthen food security,” said Mr Mene. “Our partnership with AGRA is about moving from ambition to execution, ensuring that agricultural trade delivers tangible benefits for producers, processors and consumers across the continent.”

The AfCFTA Agri-Trade Action Plan proposes several interventions, including reducing non-tariff barriers, improving trade facilitation, promoting value addition and mobilising investment in regional agricultural value chains.

“Trade will not transform Africa's food systems unless farmers and agri-enterprises are able to produce competitively, meet international quality standards, and connect to reliable markets,” said Ms Ruhweza. “This partnership is about making intra-African food trade work in practice—linking policy to delivery so that agriculture becomes a driver of inclusive growth, resilience and shared prosperity.”

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Unlike traditional breeding methods or single-gene modification approaches, the platform is designed to address traits controlled by multiple interacting genes, such as drought tolerance and plant vigour.

The research will initially focus on corn, sorghum and rice—staple crops that are critical to global food security, particularly in sub-Saharan Africa and South Asia. By targeting improvements in these crops, the initiative aims to deliver practical solutions for farmers facing rising temperatures and water scarcity.

Rainbow Crops' technology platform builds on years of foundational research conducted at VIB, a leading life sciences research institute where the core scientific innovations were developed. As part of the collaboration, Rainbow Crops will work closely with the Laboratory of Professor Hilde Nelissen, from which the company was spun off, as well as with the VIB Transformation Facility and the VIB Agro-Incubator.

Giacomo Bastianelli, Co-founder and CEO of Rainbow Crops, said the grant would strengthen the company's capacity to deliver foundational innovations for climate adaptation.

"This grant allows us to further strengthen our technology platform and contribute foundational advances that enable more climate-resilient crops, with relevance to regions most vulnerable to environmental change," Bastianelli said.

The company's platform has already been validated end-to-end in corn, demonstrating the feasibility of its multiplex genome editing and trait discovery approach across multiple characteristics. This validation underscores the potential scalability of the technology to other crops and traits relevant to climate resilience.

In addition to its academic collaborations, Rainbow Crops will work with other industry partners, coordinating scientific approaches and sharing data to accelerate collective progress in crop improvement.

The grant is expected to support the generation of new genetic insights and tools that can be integrated into breeding pipelines, ultimately helping smallholder farmers access improved crop varieties better suited to increasingly harsh environmental conditions.

The investment marks a significant step in advancing innovative agricultural technologies aimed at strengthening food security in regions most exposed to climate change.



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African Development Bank Group awards \$16.6 million grant to IITA to scale agricultural technologies in Africa



The African Development Bank's Director General for Nigeria, Dr Abdul Kamara, and IITA Director General, Dr Simeon Ehui, jointly sign the \$16.61 million TAATIII grant agreement in Abuja. *Photo Credit: AfDB*

The African Development Bank Group (AfDB) and the International Institute of Tropical Agriculture (IITA) have signed a \$16.61 million grant agreement to launch the third phase of the Technologies for African Agricultural Transformation Program (TAAT-III), aimed at scaling climate-resilient food production across the continent.

The agreement, signed on 18 February 2026 in Abuja, bolsters a shared commitment to modernise African agriculture by scaling proven technologies, strengthening seed systems, and expanding partnerships among research institutions, governments, and private sector actors.

Since its launch in 2018, TAAT has become one of Africa's most effective and transformative platforms for agricultural innovation, reaching nearly 25 million farmers and boosting productivity across major staples. The initiative has expanded climate-resilient agricultural practices across over 35 million hectares.

Working closely with the Consultative Group of International Agricultural Research Centres (CGIAR) and national and regional partners, TAAT has increased crop yields as much as 69 percent and generated more than \$4 billion in additional agricultural value. Countries including Sudan, Ethiopia, Zambia, Zimbabwe, and Nigeria have recorded notable gains in staple crop productivity and resilience to climate shocks.

Nigeria has been a key beneficiary of TAAT initiatives. Under its Wheat Compact, farmers adopting improved heat-tolerant varieties more than doubled yields from 1.7 tons per hectare to 3.5 tons per hectare. Programme supported seed system assessments also helped inform national reforms to expand access to certified, climate-resilient seeds.

Speaking at the signing ceremony, Abdul Kamara,

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Director General of the Bank Group's Nigeria Country Department, said the new phase will focus on scaling innovation more rapidly: "TAAT-III underscores the Bank's commitment to ensuring that proven, climate-resilient agricultural technologies reach farmers faster and at scale. This phase strengthens the systems that deliver innovation, helping countries boost productivity, enhance resilience, and align agricultural transformation efforts with the Bank's four new areas of emphasis, dubbed the Four Cardinal Points."

Financed through the African Development Fund, the Bank Group's concessional lending window, TAAT-III will consolidate earlier gains while introducing a more sustainable, private sector-driven delivery model. The initiative aims to reinforce seed and technology distribution systems, deepen partnerships with governments and agribusinesses, and expand the digital tools, including its technology e-catalogues and real-time monitoring platforms, to speed up deployment of high impact solutions.

Simeon Ehui, Director General of IITA, remarked: "TAAT-III allows us to deepen the delivery of science based solutions that improve farmers' yields and livelihoods. Working with the Bank and our partners, we are scaling technologies that make Africa's food systems more resilient and competitive."


TAAT featured prominently in supporting the Bank Group's Africa Emergency Food Production Facility, helping countries to rapidly deploy improved seeds and technologies to stabilise food supplies during recent global disruptions. The programme's third phase seeks to embed these innovations within long-term national agricultural investment strategies.

TAAT-III is expected to reach an additional 14 million farmers across 37 low-income and vulnerable countries served by the African Development Fund, the Bank Group's concessional financing window.

JANUARY - 2026







FOOD SECURITY Monitor

EASTERN AFRICA



Rice, Beans & Wheat Markets

Commodity-specific pressures continue.

Rice	Beans	Wheat
  Uganda +6%  Kenya: +2% amid firm regional demand and high import costs.	 Rwanda -6% Uganda: -2% Tanzania: -7% (harvest-driven easing). Kenya: Yellow +5% Red +4% (tight domestic stocks).	  Kenya +3% (On high import costs and miller demand.). Ethiopia: -4% (harvest inflows).

www.agra.org

Food Security Monitor by AGRA

Food markets across East Africa shifted in January, shaped by seasonal harvests, cross-border demand, and currency movements.

Key trends included: maize prices in South Sudan falling by 21% following improved inflows, while markets in Uganda and Tanzania tightened after the harvest period. Rice prices rose in Uganda (+6%) and Kenya (+2%), while bean markets softened across Rwanda, Uganda, and Tanzania. Wheat showed mixed trends, rising in Kenya (+3%) but declining in Ethiopia (-4%).

At the same time, drought pockets in Kenya, Somalia, and Uganda, alongside conflict in South Sudan and Ethiopia, continue to place pressure on food security across the region.

Visit the link below to read the full Food Security Monitor:

https://lnkd.in/d_wbzVtG

Source: AGRA



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Building Resilience in Tala: Lessons from FSD Kenya's Poultry Value Chain Pilot

By FSD Kenya Team

In 2020, FSD Kenya embarked on a journey to Tala, a semi arid farming community in eastern Kenya. Despite its proximity to Nairobi and Machakos, Tala's smallholder farmers—especially women—remain disconnected from growth opportunities. Limited liquidity, weak capabilities, and poor access to markets have long constrained income generation and resilience.

Drawing on lessons from Marsabit, where group based interventions improved women's economic empowerment, FSD Kenya tested whether a poultry value chain approach could strengthen resilience through three levers: farming capabilities, access to finance, and market linkages. Partnering with Hand in Hand Eastern Africa (HiH EA), the project worked through farmer groups, trained lead farmers and paravets, and brokered connections to suppliers, markets, and extension services. To unlock finance, FSD Kenya collaborated with Equity Bank, offering a credit guarantee and co designing group based savings and credit solutions supported by financial literacy training.

After four years, the University of Bath assessed the pilot's impact on income, resilience, and women's empowerment. The findings highlight both achievements and critical questions for future livelihood strategies.

Key Highlights

- **Finance linkages:** The Equity Bank demonstration model enabled lending to previously excluded groups. Loans boosted incomes and savings, though the bank signaled guarantees remain essential for scaling.
- **Service delivery:** The paravet model established a sustainable foundation for local veterinary services.
- **Market coordination:** Lead farmers enhanced group capabilities, enabling bulk buying and stronger connections with agrovets and the Ministry of Agriculture.
- **Expanded markets:** Productivity gains attracted



input providers, but inflation and drought drove up costs. HiH EA's training on local feed production reduced expenses, while indigenous poultry systems provided vital liquidity during emergencies.

Impact

- **50%** of beneficiaries reported higher productivity.
- **64%** saw income gains, partly from poultry and partly from small businesses enabled by credit.
- **30%** felt more resilient, thanks to savings and assets like poultry.
- Women's empowerment strengthened, with greater economic engagement and household influence.
- **18 groups** were linked to Equity Bank, with 54% of beneficiaries diversifying investments.

Insights for the Future The pilot raises important questions: Should fragile ecosystems prioritize productivity or resilience? Are narrow value chain approaches sufficient, or do broader rural livelihood strategies matter more? How can finance models balance inclusion, liquidity, and risk buffering? And critically, how do we design for equity—ensuring the poorest and women benefit from market led models?

We cannot do this alone



A farmer feeding cows with hay and grass on animal farm. Photo Credit: Shutterstock

By Maarten Susan

The Author's Argument: In Kenya, the immense burden of financing agriculture falls almost entirely on the private sector and commercial markets. By contrast, industrializing peers such as Egypt, Morocco, and Turkey rely on a robust public-sector engine - dedicated state banks and heavy subsidies - to absorb risk and drive productivity.

In early February, my firm led a delegation of senior bankers and agribusiness clients from Egypt and Morocco on a fact-finding mission to Kenya. Their questions were pointed: how does Kenya finance its agricultural sector, and where does green finance fit into that story?

What none of us anticipated was that the learning would run in both directions.

Over the course of the week, we examined credit policy, risk appetite, value chain structures, and sustainability frameworks. By the final day, our initial curiosity had sharpened into a more pointed critique of the structural divide within our systems. The question was no longer what our visitors could learn from Kenya's vibrant private markets, but whether their own examples had finally exposed the true cost of Kenya going it alone.

The answer begins with the numbers.

Kenya is home to roughly 56 million people. Morocco has 38 million, Egypt exceeds 116 million, and Turkey approaches 86 million. Scale matters enormously - it shapes how governments design policy and how deeply financial systems can reach into rural economies.

OPINION

Agriculture accounts for 22 percent of Kenya's GDP. In Morocco, it is 10%; in Egypt, 14%; and in Turkey, just 6%. Kenya is the most agriculturally dependent of the four countries. Employment data tells a sharper story: 45 percent of Kenya's workforce depends directly on farming, compared with 30 percent in Morocco, 20 percent in Egypt, and under 15 percent in Turkey. For Kenya, agriculture is the country's most reliable shock absorber.

Yet dependency does not equal efficiency. Agricultural value added per worker in Kenya sits at roughly \$800–\$900 per year. In Morocco and Egypt, it is nearly \$3,000, and in Turkey, it exceeds \$7,000. The gap is stark. Kenya employs the largest share of its population in agriculture, but generates the lowest returns. This is not just a story of soil quality or rainfall alone; it is a story of capital.

This is where the conversation became most revealing. Egypt, Morocco, and Turkey operate with large government-owned agricultural banks. These institutions are not peripheral lenders. They are the central infrastructure. They carry state backing. They deploy subsidized funding. They operate deep rural branch networks. They anchor entire value chains.

Kenya's Agricultural Finance Corporation exists. It plays a role. But it does not function at comparable scale. It lacks deposit-taking capacity. Its balance sheet is limited. It cannot shape national credit conditions. It cannot drive system-wide transformation.

In North Africa and Turkey, agricultural finance is treated as strategic infrastructure. Credit is extended through permanent public channels. Interest rate subsidies reduce borrowing costs. Risk is partially socialized. Long investment cycles are supported. Structural change becomes financeable.

Kenyan farmers operate under different conditions. They borrow at market rates. They carry climate risk largely alone. They finance productivity upgrades within thin margins. The system relies heavily on private lenders whose capital has commercial return expectations and risk limits.

The result is a financing environment that asks the most vulnerable producers to carry the greatest volatility.

Three structural functions are missing.

In our sessions, it became evident that without a government-led mechanism to lower the cost of capital, the Kenyan farmer effectively competes on an uneven playing field.

We identified three critical areas where this institutional absence is felt most:

The absence of a robustly funded state vehicle in Kenya creates a "risk vacuum." We identified three critical missing pieces:

Infrastructure over Intervention: State banks in Egypt and Morocco anchor the entire value chain, from seed procurement to export.

Risk Mitigation: Subsidized rates act as a buffer against climate volatility - a luxury the Kenyan farmer, who pays market rates for risk, simply does not have.

Long-term Transformation: While private capital seeks quarterly returns, state banks can fund the decade-long transition to climate adaptation and "green" farming.

In early 2025, the African Union adopted the Kampala Declaration, a successor to the Malabo and Maputo agreements. It isn't just a renewal of the pledge to allocate 10 percent of national budgets to agriculture; it is a "bold reimagining" of agrifood systems that aims to boost productivity by 45 percent by 2035.

For Kenya, this is no longer a theoretical target. If the government is truly serious about meeting this 10 percent threshold, a significant jump from the current allocation of roughly 3 percent, we cannot simply pour more money into the existing pipes.

We need an urgent, clear-eyed debate on the structural reforms required to transform Kenyan agriculture from a "backbone" of survival into a world-class, competitive sector.

Whether that means recapitalizing our own state vehicles or creating a "financial revolution" that de-risks private capital, the Kampala Declaration provides the deadline.

The question is whether we have the collective will to build the engine.

Maarten Susan is the Co-Chair of FINAS (Financing Agri-Food Systems Sustainably) Dialogues and Summit and the founder of Moving Frontiers, a consultancy specializing in green finance and bank advisory across East Africa.

Youth Fund and One Acre Fund Partner to Empower Young Agripreneurs



The Youth Agripreneurship Training Forum in Nakuru County. Photo Credit: The Youth Fund

Kenya's Youth Enterprise Fund and One Acre Fund unveiled a partnership framework during a Youth Agripreneurship Training Forum that brought together more than 300 youth farmers, county leaders, and sector partners, underscoring the growing momentum behind youth participation in agribusiness.

The collaboration, anchored on a Memorandum of Understanding signed in November 2025, blends Youth Fund's financing and enterprise development support with One Acre Fund's Tupande inputs, technical expertise, and market access. The initiative is closely aligned with the government's Bottom Up Economic Transformation Agenda (BETA), which prioritizes agriculture as a driver of inclusive growth and employment.

Delivering the keynote address, Youth Fund Chief Executive Officer, CPA Benedict Atavachi, emphasized the need for practical interventions that respond to the realities faced by young people in agriculture. He highlighted the Fund's Agribizz loan as a flagship product, enabling youth to access up to Kshs. 2 million

with repayment terms tailored to agricultural production cycles. "Agribusiness is a high return venture and a key pillar of Kenya's economy," he noted, stressing that financing must be matched with market readiness.

Market access remains a central focus of the partnership. Many young farmers produce quality crops but struggle to secure buyers or fair prices. To address this, the Fund facilitates youth participation in trade fairs at county, national, and regional levels, and partners with institutions such as the Kenya Bureau of Standards to support certification and compliance for domestic and export markets.

The partnership also includes structured training on enterprise development and business planning, with the first phase targeting 22 counties. By combining finance, technical inputs, and market linkages, the initiative aims to empower young agripreneurs, strengthen rural livelihoods, and build sustainable pathways for youth in agriculture.

FINAS 2026



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