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AGRICULTURAL CREDIT ENHANCEMENT PHASE-II (ACE-II)

JUNE 2015 – JUNE 2018

\$18.2 MILLION OFF-BUDGET

OVERVIEW

The USAID Agricultural Credit Enhancement (ACE) project established and managed the Agricultural Development Fund (ADF) until it was transferred to the Afghan government in 2015. The follow-on project, ACE-II, seeks to build on results achieved by the previous program and expand access to agriculture-related credit to increase commercial viability of small- and medium-size farms and agribusinesses as a necessary condition for a thriving agricultural economy. ACE-II provides technical assistance to improve ADF's management systems and catalyze its transition to a sustainable agricultural development financial institution.

CURRENT ACTIVITIES

- Attract financial intermediaries into the agriculture finance space
- Establish a reliable monitoring and evaluation system
- Promote learning and advocacy efforts to support expansion of agricultural finance
- Provide technical assistance to improve the performance of ADF management
- Provide technical support and monitor the implementation of ADF's strategic plan
- Assess and improve Fund operations, policies and procedures
- Assess financial institutions' capacity to on-lend ADF funds
- Design innovative trade credit mechanisms to attract targeted borrowers
- Support the participation of ADF borrowers in national agricultural fairs and conferences

ACCOMPLISHMENTS

- Supported ADF in the disbursement of over \$19 million in direct lending to the agriculture sector over the past year
- Directly benefited over 2,481 farmers and MSMEs and created 893 full time jobs
- Supported two financial institutions to successfully provide agricultural financial services
- Established the Agricultural Credit Technical Working Group, which identifies priority constraints to agricultural credit for collaborative advocacy; launched the innovation grant fund, and developed two new agricultural credit products
- Developed the ADF Revised Business and Strategic Plan (2016-2020) and facilitated ADF High Council meetings

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