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## PRESS RELEASE

### **USAID and Banks Launch Partnership to Expand Farmers' Access to Credit in South Sudan**

JUBA, SOUTH SUDAN —Senior representatives from Equity Bank, Kenya Commercial Bank, and Finance South Sudan Limited (FSSL) kicked off a partnership agreement on October 17 with the U.S. Agency for International Development (USAID) and the Alliance for a Green Revolution in Africa (AGRA) that will unlock \$7 million in private sector resources for lending to South Sudan's agricultural sector.

The agreement, officially signed in late August, underscores USAID and AGRA's commitment to empower Sudanese farmers and small businesses.

Agricultural development in South Sudan is critical to reducing poverty and food insecurity in the country, and diversifying the economy. Though the country has the potential to be a major food exporter, it remains dependent on imports. However, without access to credit, it is difficult for farmers to purchase seeds and tools, adopt modern production technologies, or invest in machinery.

USAID's Development Credit Authority uses partial credit guarantees to mobilize local financing, working with investors, local financial institutions, and development organizations to help commercial lenders enter new market sectors by reducing their risk. Robert Oketi, Managing Director of FSSL, calls the guarantee "a blessing to many farmers in South Sudan as it provides an opportunity for the selected financial institutions to provide loans."

The loan facility will leverage the bank's own resources to complement existing USAID agricultural projects in Eastern, Western, and Central Equatoria and Jonglei states. USAID Mission Director William Brands said, "One of the exciting things about this partnership is that USAID is already working to build the skills of small-scale farmers and businesses. With better access to credit, those farmers can apply those skills toward improving production, efficiency, and market reach."

Since 1999, USAID's Development Credit Authority has unlocked nearly \$3 billion worth of private financing in 69 countries. This is the first Development Credit Authority agreement in newly independent South Sudan.

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