



**Towards sustainable  
and innovative  
inclusive finance**

## Towards inclusive, sustainable finance with a tangible impact



**Laura Foschi**  
ADA Executive Director

*« Today and in the years to come, ADA's interventions will focus on providing support to young entrepreneurs and smallholder farms by developing agricultural and forestry value chains and by giving vulnerable households easier access to basic services. Aspects related to climate change, gender issues and the use of digital technology will also be taken into account in all projects. ADA will continue to leverage its expertise to increase its contribution to the achievement of the Sustainable Development Goals and to respond to the needs of vulnerable segments of the population. »*





*Expert in inclusive finance,  
driver of partnerships and innovation*

ADA (Appui au développement autonome) is a **Luxembourgish, non-governmental organisation** that has been increasing **the autonomy of vulnerable** people in Africa, Central America and South-East Asia with **inclusive finance** since 1994, thereby contributing to achieving the Sustainable Development Goals.

ADA leverages its resources and expertise to **innovate**, support **local partners**, implement **technical support programmes**, give **investment advice** and **manage knowledge** to positively impact targeted segments of the population in a sustainable manner.

**ADA's activities focus on three main topics:**



**YOUTH ENTREPRENEURSHIP**



**AGRICULTURAL AND FORESTRY VALUE CHAINS**



**ACCESS TO BASIC SERVICES**

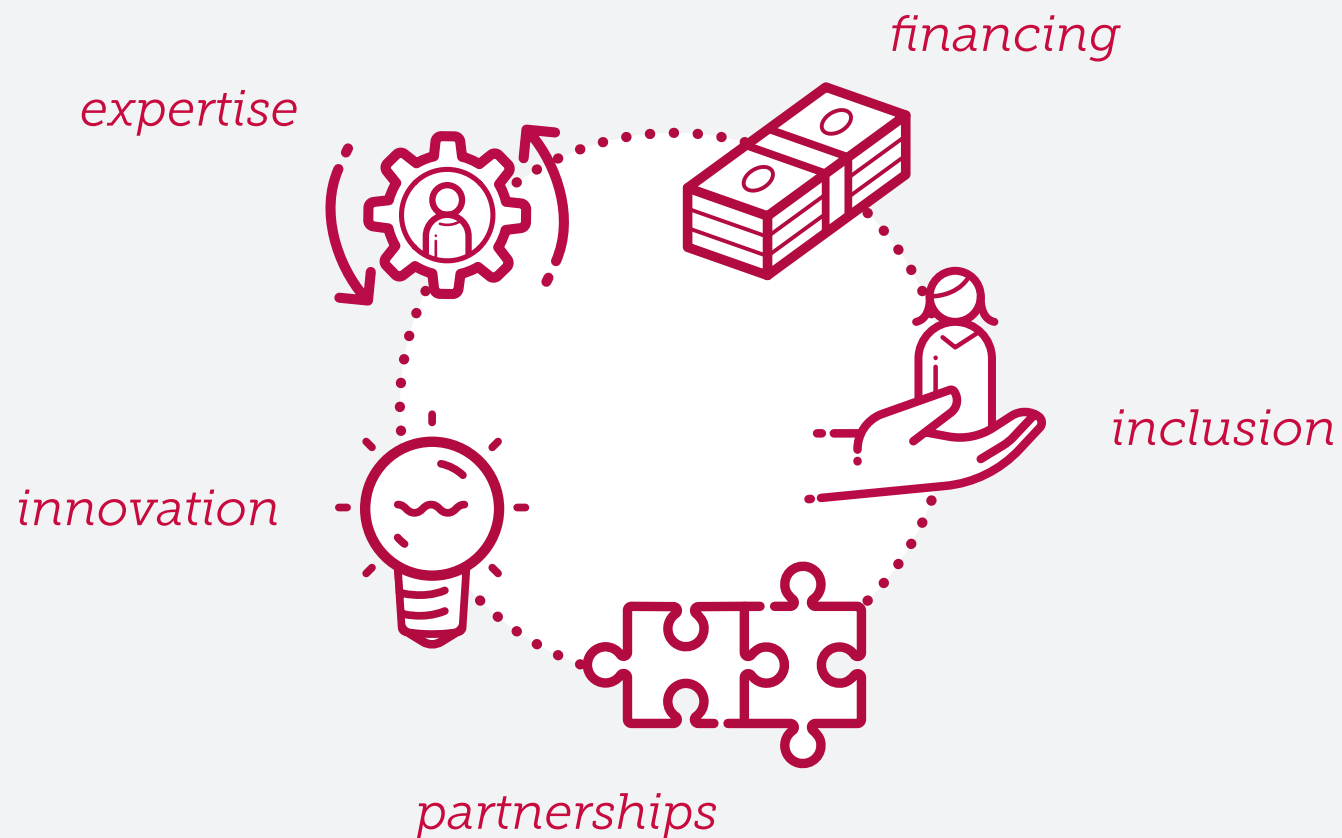
These activities take into account **three transversal themes**: aspects related to **climate change**, **gender issues** and the use of **digital technologies**.

**In a nutshell**

**ADA is a Luxembourgish non-governmental organisation that strengthens the autonomy of vulnerable people by leveraging inclusive finance to improve their living conditions.**

# ADA,

*expert in inclusive finance,  
driver of partnerships  
and innovation*



## ADA's expertise



Identification of client-centric **partners** with a holistic approach who provide tailored and comprehensive solutions to meet the needs of vulnerable households in the best possible manner.



ADA provides **technical support** by providing expertise (either through ADA's teams or external consultants), acts as a **driver of partnerships** to implement programmes, ensures the durability of innovative solutions and **professionally manages** projects.



As an **impact investment adviser** to LMDF (Luxembourg Microfinance and Development Fund), Investing for Development (IforD) and the Financing Innovation Tool (FIT), ADA prospects, selects and performs a social and financial analysis of innovative, financially inclusive institutions with a significant social impact.



ADA identifies, analyses, produces and shares inclusive finance **knowledge** based on first-hand experiences from its projects and tailored **impact analyses**.



## Inclusive finance contributes to improving the living conditions of vulnerable people

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As a promotor of inclusive development, ADA targets vulnerable groups such as young entrepreneurs, smallholder family farms and forestry businesses as well as vulnerable households to enable them to increase their autonomy and to improve their living conditions.

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**ADA's target groups need to be able to access, make use of and develop different types of resources. In particular, these groups need to:**



- secure and diversify their economic resources such as income, tangible or intangible assets. To this end, ADA will develop **funding solutions** that are tailored to their needs.



- improve both their human capital (knowledge and skills) and their social capital (integration within communities and the economic fabric). This is especially the case for young entrepreneurs as well as farming and forestry value chain actors. For this reason, ADA intends to strengthen their **technical and entrepreneurial skills** through training, mentoring and coaching and to **facilitate their market access** through digital platforms which provide information and enable transactions.



- meet their essential, fundamental needs such as food and housing. This is especially the case for vulnerable households in less developed countries for whom ADA will promote access to and the use of basic services such as electricity, housing, water, sanitation, hygiene, health and education.

**ADA,**  
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driver of partnerships  
and innovation...



...aims to strengthen  
the autonomy of



YOUNG  
ENTREPRENEURS



SMALL, FAMILY-RUN FARMS  
AND FORESTRY BUSINESSES



VULNERABLE  
HOUSEHOLDS

How?



BY DEVELOPING CUSTOMER-CENTRIC  
FINANCING SOLUTIONS



BY STRENGTHENING TECHNICAL  
AND ENTREPRENEURIAL SKILLS



BY FACILITATING MARKET ACCESS



BY ENSURING ACCESS TO BASIC SERVICES  
(ENERGY, HOUSING, WATER, HEALTH, EDUCATION)

Intended  
impact



IMPROVED  
LIVING CONDITIONS  
FOR VULNERABLE  
POPULATIONS



## ADA supports young entrepreneurs

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ADA will help young business owners to overcome challenges such as limited access to funding, lack of management tools and skills as well as constrained market access by developing tailored financing solutions and increasing their business skills.

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ADA's programmes will facilitate the development of:



- innovative **financial services** which are tailored to the needs of young entrepreneurs. These services include revenue-based loans (a loan for which the repayment schedule is calculated in line with the entrepreneur's turnover or cash flow), guarantees (individual, joint or portfolio-based) and medium-term loans spanning three to four years for financing equipment.



- **non-financial support** for young people in the formal and informal sectors, which may take the form of group training or individual coaching by appropriate providers such as business incubators. This support will strengthen the **entrepreneurial and managerial skills** of young entrepreneurs to enable them to manage their business, present the potential and viability of their enterprise to funders and better identify market opportunities to sell their products and services.



## Young entrepreneurs

**ADA,**  
expert in inclusive finance,  
driver of partnerships  
and innovation...



...aims to strengthen  
**the autonomy of**



**How?**



BY FACILITATING ACCESS TO INNOVATIVE,  
TAILORED FINANCING SOLUTIONS



BY STRENGTHENING TECHNICAL  
AND ENTREPRENEURIAL SKILLS



BY FACILITATING MARKET ACCESS

**Intended  
impact**



**IMPROVED  
LIVING CONDITIONS FOR  
YOUNG ENTREPRENEURS  
AND THEIR FAMILIES**



## ADA strengthens agricultural and forestry value chains

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To sustainably secure the economic resources of small, family-run farms, ADA is combining tailored funding with the development of their technical and managerial skills. In addition, ADA strives to improve their access to markets and high-quality inputs.

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ADA's programmes aim to:



- facilitate the development, access to and use of appropriate **financial services** (loans, insurance, guarantee mechanisms, etc.) for small, family-run farms and forestry businesses.



- promote agro-ecological and climate-smart techniques to encourage **production practices which are both sustainable and resilient to climate change.**



- foster partnerships which increase the **market access of smallholder farmers** to enable them to purchase high-quality inputs and to market their produce at a fair price.

## Agricultural and forestry value chains

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...aims to strengthen  
**the autonomy of**



**SMALL, FAMILY-RUN  
FARMS AND FORESTRY  
BUSINESSES**

**How?**



BY FACILITATING ACCESS TO AND  
THE USE OF APPROPRIATE FINANCIAL SERVICES



BY PROMOTING  
SUSTAINABLE PRODUCTION PRACTICES



BY FACILITATING MARKET ACCESS

**Intended  
impact**



**SMALL, FAMILY-RUN  
FARMS SUSTAINABLY  
SECURE THEIR ECONOMIC  
RESOURCES**



## ADA facilitates access to basic services

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To make vulnerable households more autonomous, especially those with limited access to basic services such as water and energy, ADA will identify specialised partners and combine access to basic services with awareness-raising activities, whilst at the same time developing appropriate and tailored financing solutions.

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### ADA's programmes will:



- develop **tailored financing solutions** to facilitate the access of vulnerable households to basic services in order to meet their basic needs and create economic opportunities.



- facilitate access to health services, housing, water/sanitation or education by **identifying specialised partners** such as equipment suppliers and specialised NGOs. These partners should be well established in their area of intervention and offer widely available, sustainable and affordable solutions.



- **raise awareness and train households** regarding the added value of efficient and sustainable basic services such as equipment powered by renewable energy, water-efficient sanitation and water systems.

## Access to basic services

ENERGY · HOUSING · WATER AND SANITATION · HEALTH · EDUCATION

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...aims to strengthen  
the autonomy of



**VULNERABLE  
HOUSEHOLDS**

**How?**



BY DEVELOPING  
CUSTOMER-CENTRIC FINANCING SOLUTIONS



BY IDENTIFYING PROVIDERS  
OF INNOVATIVE AND ENVIRONMENTALLY  
SUSTAINABLE BASIC SERVICES



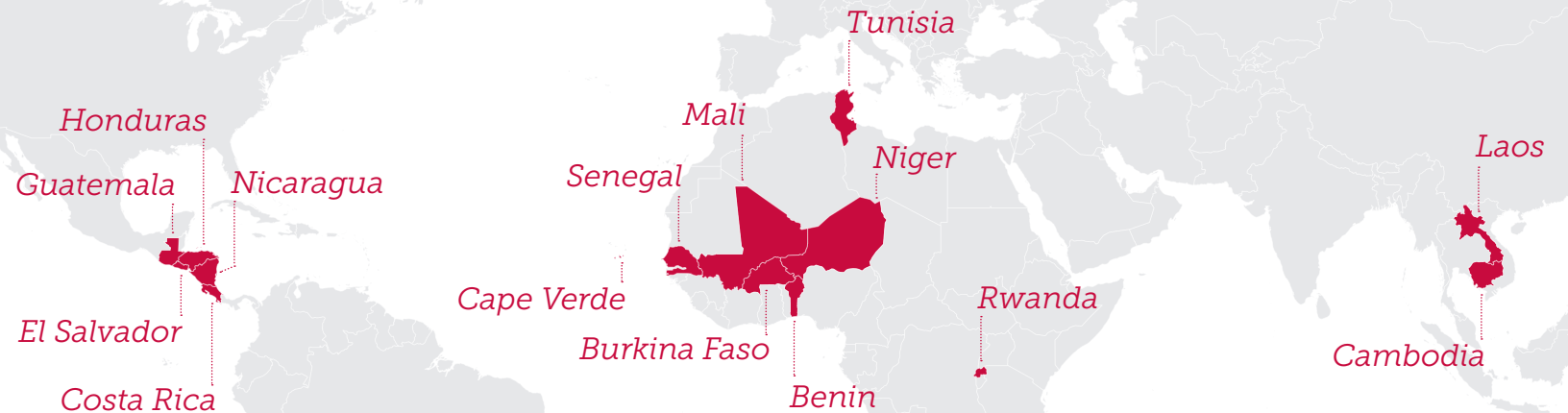
BY RAISING AWARENESS OF  
THE ADDED VALUE OF BASIC SERVICES AMONG  
HOUSEHOLDS AND COMMUNITIES

**Intended  
impact**



**IMPROVED  
LIVING CONDITIONS  
FOR COMMUNITIES**

## ADA intervenes in three regions: Africa, Central America and South-East Asia



### Other countries in which ADA is active:

#### *Africa*

Burundi  
Cameroon  
Congo-Kinshasa  
Ivory Coast  
Ethiopia  
Ghana  
Guinea  
Kenya  
Madagascar  
Malawi  
Morocco  
Mozambique  
Uganda  
Sierra Leone  
Tanzania  
Togo  
Zambia  
Zimbabwe

#### *Latin America*

Argentina  
Bolivia  
Colombia  
Ecuador  
Haiti  
Mexico  
Panama  
Peru  
Dominican Republic

#### *Asia*

Azerbaijan  
Bangladesh  
China  
India  
Indonesia  
Kazakhstan  
Kyrgyzstan  
Myanmar  
Philippines  
Tajikistan  
Timor-Leste  
Papua New Guinea

## Transversal themes

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Aspects related to climate change, gender issues and the use of digital technologies are three transversal themes which will be considered in all of ADA's programmes to various degrees and in accordance with the specific situation.

ADA's programmes will:



Promote sustainable practices to adapt to **climate change**, protect the environment and limit greenhouse gas emissions. These measures include the introduction of climate-smart agriculture, the sustainable management of landscapes, land and forests, as well as the use of equipment which is energy efficient or powered by renewable energy.



Take into account specific challenges faced by **women** and strengthen their capacity to choose their living conditions.



Develop the skills of institutional and private users of **digital solutions** and encourage the application of digital technologies as long as this creates opportunities and enables innovation.

## Contribution to the SDGs

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ADA's interventions significantly contribute to poverty eradication (SDG 1); reducing food insecurity (SDG 2); providing access to decent employment and income (SDG 8); adapting to climate change (SDG 13) and strengthening partnerships between different types of actors in the sector (SDG 17). They also contribute indirectly to good health and well-being (SDG 3); quality education (SDG 4); gender equality (SDG 5); access to safe drinking water and sanitation (SDG 6); affordable and clean energy (SDG 7); fostering innovation and the inclusion of small enterprises (SDG 9); reducing inequality (SDG 10); improving shelter (SDG 11) and to sustainable forest management (SDG 15).





Supported by

LUXEMBOURG  
AID & DEVELOPMENT



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