



APRACA/RPF & EXCOM/2024/405

Bangkok, 27 July 2024

Dear Dr. Narayana,

Re: Request to deliver a presentation in the *Technical Session 2* of the regional policy forum

Warm greetings from APRACA Secretariat, Bangkok!

It is our sincerest pleasure to request you/your representative to deliver a presentation for the **Technical Session 2** on '**Use of technological innovations in assessing credit requirements for agricultural SMEs: Context of Indonesia**' in the Regional Policy Forum (RPF) on '**Financing Agri-SMEs to trigger engines of local development**'. The Regional Policy Forum (RPF) is being held at the **Borei Angkor Resort, Siem Reap, Cambodia** on **08 August 2024** in conjunction with the 77th Executive Committee (EXCOM) meeting of the Asia-Pacific Rural and Agricultural Credit Association (APRACA). The event is hosted by the **National Bank of Cambodia (NBC)**.

The Asia-Pacific region during the last decade witnessed increasing recognition by policymakers, capital providers, and finance practitioners about the vital role played by agricultural small-and medium-sized enterprises (agri-SMEs) in agricultural and food systems in developing countries of the region, as well as their key challenge of limited access to finance. APRACA studies highlighted the critical role of agri-SMEs in growing markets of the region and their concurrent lack of access to finance and supporting services. The specific focus on the needs of agri-SMEs as a sub-segment of the broader agenda of SME finance and the 'missing middle' is gaining importance due to the dynamics around these enterprises having unique dimensions.

While the potential contribution of agri-SMEs to local development is recognized by policy makers and scholars, concerns have been raised with respect to the nature and actual extent of inclusivity of agribusiness. Particularly critical is the question of what categories of agri-enterprises and smallholders take part in the initiatives and the corresponding terms of inclusion. The other potential issue is related to incentivizing the supply side of the financial services who are providing required financial assistance to meet the investment gap and scale up these small enterprises which are otherwise not eligible to receive financial support from other actors in the value chains.

Keeping the foregoing in view, the overarching objective of this regional policy forum is to create cross-learning opportunities from the experiences of APRACA member institutions and the international agencies and help build/strengthen the capacities of the financing institutions to activate the policies, financial products and services towards inclusive agri-SME finance and achieve resilient agrifood system for the local development context.

In this connection, we enclose herewith the *concept note and draft programme* for your kind perusal. We request you to kindly confirm the delivery of a presentation in the **Technical Session 2** and oblige.

We look forward to your positive response and welcome you in Siem Reap, Cambodia for this important NBC-APRACA Regional Policy Forum.

Kind regards,



(Prasun Kumar Das)

Secretary General

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Encl: *concept note and programme schedule*

To:

Dr. S L Narayana,

Managing Director,

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India**