

WEBINAR:

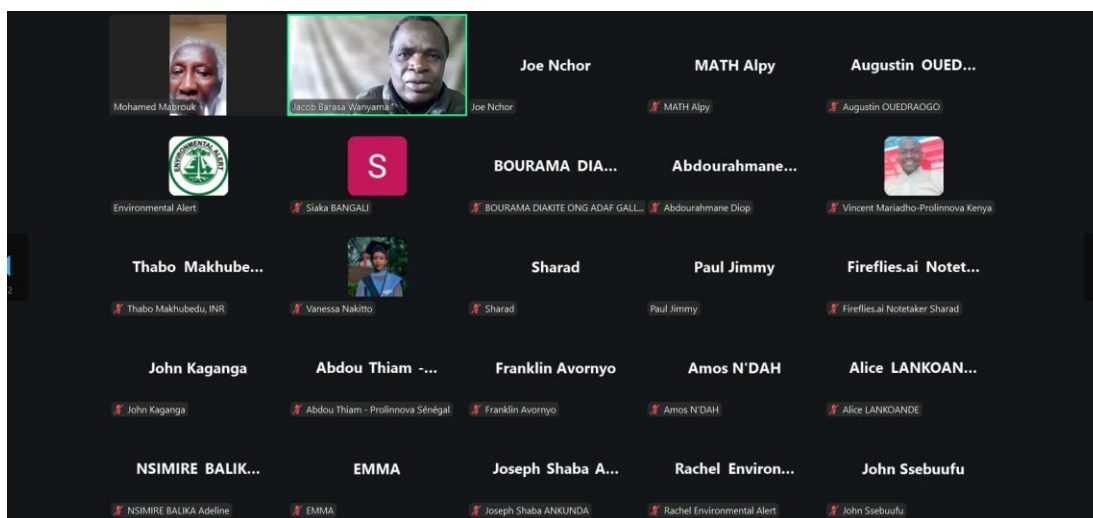
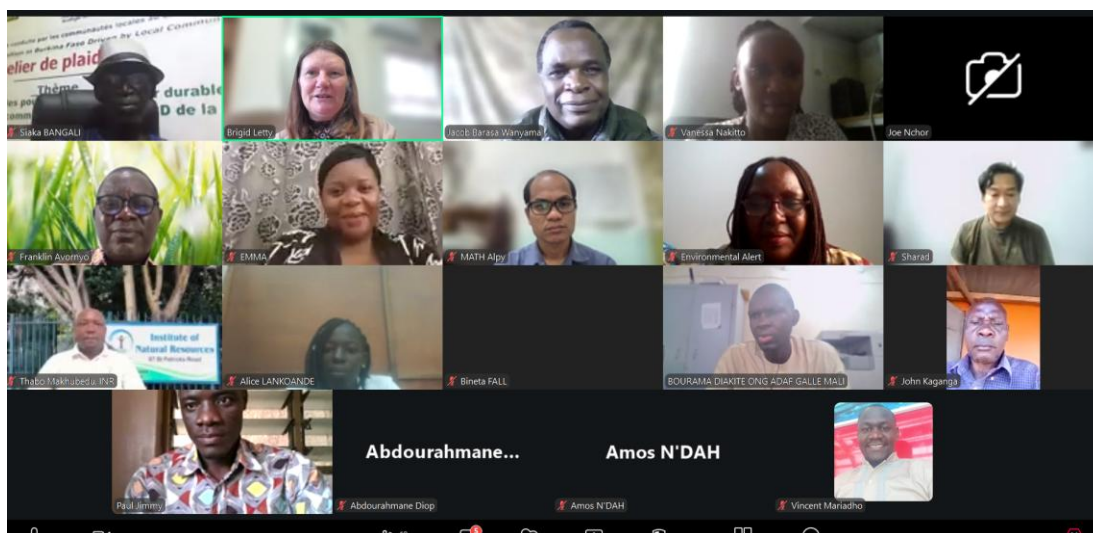
SHARING EXPERIENCES OF OPERATIONALISING LOCAL INNOVATION SUPPORT FACILITIES

1 BACKGROUND

Towards strengthening the use of local innovation support funds/facilities (LISFs) within the Prolinnova network, an exploration of LISF application in eight Prolinnova Country Platforms (CPs) was undertaken with support from the 11th Hour Programme of the Schmidt Family Foundation. Each of the eight countries prepared a case study of LISF experiences, which formed the basis for a report, a policy brief and a webinar. The webinar took place on 29 May 2026.

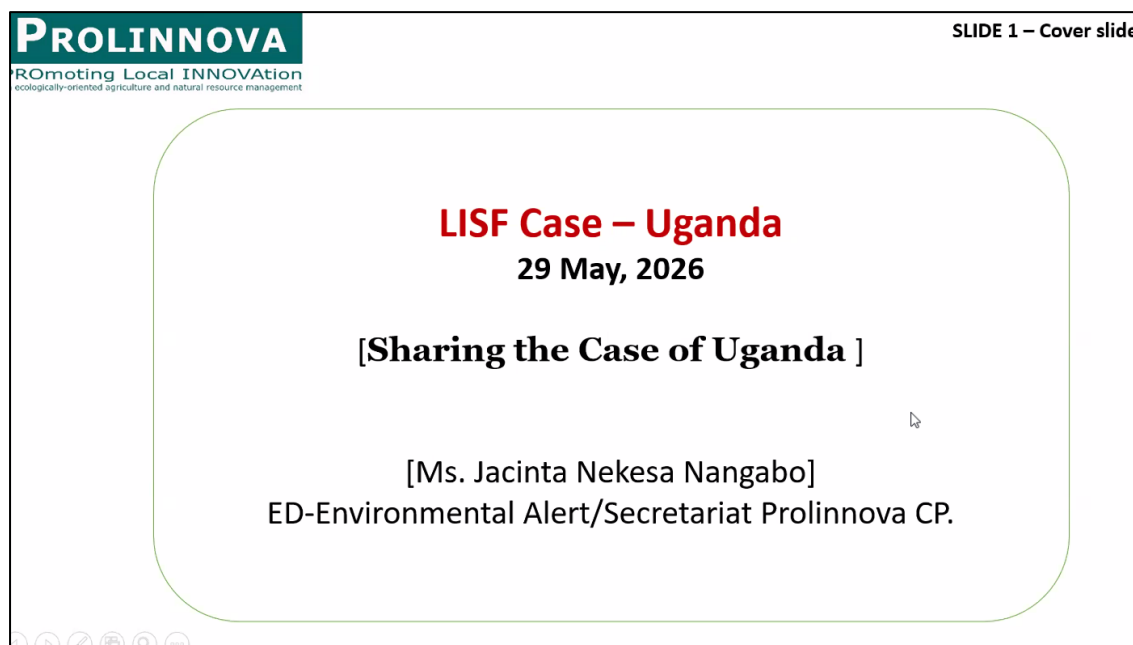
2 WELCOME AND INTRODUCTIONS

JW opened the meeting and facilitated a round of introductions. The webinar was attended by representatives from Burkina Faso, South Africa, Kenya, Ghana, Uganda, Nepal, Cambodia, Mali, DRC, Cameroon, Senegal. Participants included two students that are part of the Proli-SAM project, as well as a representative from the East Africa Region Agroecology Fund that is funding the project in Kenya and Uganda currently.



3 EXPERIENCES FROM PROLINNOVA UGANDA

After the welcome and introductions, Jacinta Nekasa from Uganda, who was one of the 8 CPs that undertook the LISF case study, shared the outcomes of the study. Paul Jimmy – the subregional coordinator for West and Central Africa provided translation for the participants from Francophone CPs. Jacinta provided an overview of the methodology, findings and lessons learnt.



See Annexure 1 for slides

4 CROSS-ANALYSIS OF EIGHT CP EXPERIENCES WITH LISFS

Following the Uganda presentation, Brigid Letty presented a cross-analysis of the 8 CP case studies. She provided an overview of the eight CPs and the mechanisms that they adopted to operationalise LISFs, as well as the challenges faced.

See Annexure 2 for slides

5 BREAK AWAY AND PLENARY DISCUSSIONS

The two presentations formed the basis for the discussion that took place in two break away groups. When the participants rejoined the main room, key findings were shared, but it was decided collectively that a second session was required to explore the findings in more depth.

Questions:

- Do we want revolving funds rather than grants?
- Do we want LISFs to also support outscaling / application of innovations within production activities?



5.1 Feedback from the Anglophone Group

Jacinta provided feedback from the Anglophone group in response to the two questions. In summary, the group felt they should remain with grants – to allow farmers to experiment – as it's difficult to recoup funding. Revolving funds have high administrative costs and bureaucracy. They might also exclude farmers. Perhaps only for outscaling innovations. Also, because we sometimes are not supplying cash. There was feeling that outscaling should be supported by LISFs- but it was felt that if it's about commercialising and making money, then it needs to be recouped.

Remain with LISF as a Grants

- Experimentation, there is diff to recoup anything from it.
- In case of need for scale, it is easier to do so with
- Revolving funds usually required administrative costs
- Increases the bureaucracy of how it is going to be spent
- Moreover, different farmers have different types of innovations, and we want to bring as many farmers as possible to innovate – which may not be possible with revolving funds
- In SA, farmers may be reluctant to apply for revolving funds; many agencies offering loans, yet farmers do not apply for
- Perhaps when scaling u innovations we could consider a revolving funds.

5.2 Feedback from the Francophone group

The Francophone group felt that revolving funds allow sustainability and allow for scaling up innovation – since there are no funds for scaling up. Local structures – need capacity to be accountable for whole mechanism – will help to get it right. Thus reinforcement of local governance – local structures is important. In terms of the second question, they felt that scaling up production activities could be feasible, but using LISFs to support production activities is more risky. They concluded that mutual understanding of principles is important.

Groupe francophone

Question 1 : Distribution du FIL sous forme de crédit rotatif

Justification

Mise à échelle des innovations paysannes

Responsabilisation des groupements au niveau local

Renforcement de la gouvernance local

Points d'attention

Confiance entre les acteurs

Question 2 : Mise à échelle pour l'application du FIL pour les activités de production

Justification

Pour des subventions ça peut se faire

6 CLOSURE

In closure, Jacob Wanyama highlighted that John Kaganga made a point that the LISF motivates people to mobilise funds from other sources – so support for LISF needs to include proposal writing. He suggested that we have another one hour in future to continue the discussions – focused on talking and not listening to presentations, in order to improve our future work. In closing the participants were asked to share some key insights from the webinar in the chat, which are summarised below:

- It makes sense that experimentation financing was not to be paid back since there are no guarantees of success or failure when someone sets out to experiment. So this encourages experimentation
- **Vincent Mariadho:** Great insights which have opened up positive gaps, so to say.
- **Jacinta Nekasa:** It was interesting to see how same objective of LISF across countries but implemented differently (different approaches) across countries.
- **Siaka BANGALI :** la durée du LISF qui peut atteindre 15 ans avec les mêmes organisations paysannes
- **Amos N'DAH :** Good session. Very interesting. I learned that the LIFS implementations may very depend on local realities, and we have to take it in mind
- **Vanessa Nakitto:** very interesting webinar which has challenged us for further sessions to discuss sustainability
- **Joe Nchor:** Good learning and exchange experience on how LISF was adapted or contextualized by the different CPs. The question of sustainability of the mechanism remains our key issue to address moving forward
- **Franklin Avornyio:** If a farmer is investing or scaling, they need a revolving fund but if innovating, they need a grant
- **EMMA:** j'ai compris c'est que le FILs est tout un mécanisme et non un simple fonds oui
- **John Kaganga:** The meeting gave a lot of insight on LISF, we need another CP short meeting
- **Thabo Makhubedu, INR:** This was a very interesting session. I have learned a lot from Jacinta's work.
- **MATH Alpy:** Good session. bcs of the time, I just share . The Case for Revolving Funds (Sustainability & Ownership): Traditional grant-based models often create a culture of dependency; when the donor funding ends, the project activities stop. In Cambodia, Local Innovation Support Funds (LISFs) or community-managed savings groups (like those popularized by local agricultural cooperatives) utilize revolving funds effectively. Money loaned out for agricultural inputs, small machinery, or innovations is paid back with low interest, allowing the fund to replenish and serve more farmers over time. This fosters long-term self-reliance.

ANNEXURES: PRESENTATIONS FROM UGANDA AND THE CROSS-CP ANALYSIS

LISF Case – Uganda

29 May, 2026

[Sharing the Case of Uganda]

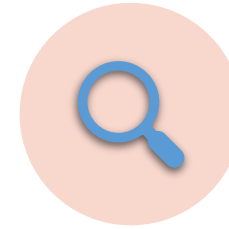
[Ms. Jacinta Nekesa Nangabo]

ED-Environmental Alert/Secretariat Prolinnova CP.

Presentation Outline



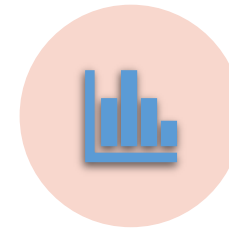
Overview of LISF in Uganda



Study methodology (Briefly)



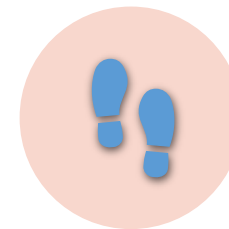
Key findings



Lessons learnt



Recommendation



End

Overview of LISF in Uganda (1/2)

SLIDE 3

- ❑ Formal Intro of LISF in Uganda: 2005 and 2006:
 - ETC Foundation from the Netherlands, in collaboration with the Prolinnova International Support Team (IST).

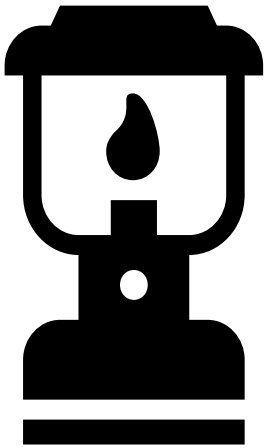
- ❑ Formally launched in Uganda: 2007, thru 2 Projects:
 - French government-funded (DURAS) project: Promoting Sustainable Dev't in Agricultural Research Systems.
 - FAIR project: Farmer Access to Innovation Resources.

- ❑ 1st Phase of LISF/FAIR-1: 2008–2009 – *Beginning with Discipline* – 4 CBSOs in 4 districts: Wakiso, Mukono, Nakasongola & Mityana
 - Funded by the Rockefeller Foundation & the Dutch Ministry of Development Cooperation (through ETC Foundation)
 - Pilot set up gov't frameworks, selection protocols and capacity building systems

- ❑ 2nd Phase of LISF/FAIR-2 & FAIR-3: 2010–2012 – *Scaling with purpose*
 - FAIR-2 expanded the LISF to 12 CBOs across 8 districts: Masaka, Mubende, Rakai & Kayunga added



FAIR-3: ... Transition Phase (2/2)



☐ Documentation of the Model

- Documenting beneficiaries and actors' experiences with FAIR 1 & 2
- Developing up scaling scenarios
- Production of the LISF Implementers' Guide (2013)
- Thus, no grants in FAIR-3

☐ Combining Local Innovation Capacity with Scientific Research (CLIC-SR) project: (2014)

- Subsequently continued LISF implementation in Moyo and Nakasongola districts
- Extended geographic and institutional footprint of the approach, but there was limited documentation of LISF use in the CLIC-SR project.

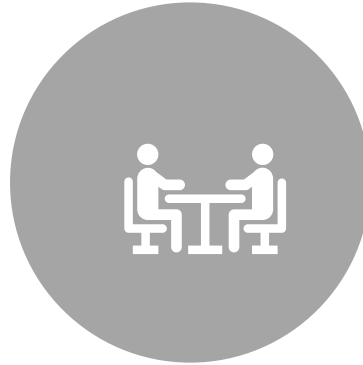
Study methodology

SLIDE 5



3 Districts selected (Mityana, Masaka, Kayunga) – based on:

- Long-term engagement with the LISF;
- Continued presence of active CBOs; and
- beneficiary communities from the FAIR project cycles



Selection was deliberate;

The intention was to go deep into communities where the LISF had taken genuine root and where 15 years of outcome could be observed.



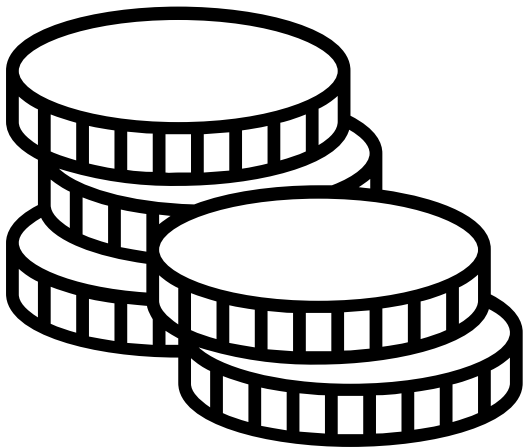
Study design

Mixed-methods approach

- Quantitative: Structured HH survey
- Qualitative: FGDs and the institutional depth and lived experience captured thru KIIs
- The 3 data streams were designed to be complementary
- The survey quantifies the reach and measurable outcomes of the LISF while the FGDs and KIIs explain the why behind those numbers.

Operationalizing LISF: Governance Structure, Implementation Framework (1/4)

A Multi-Level Structure Built for Accountability



National Steering Committee:

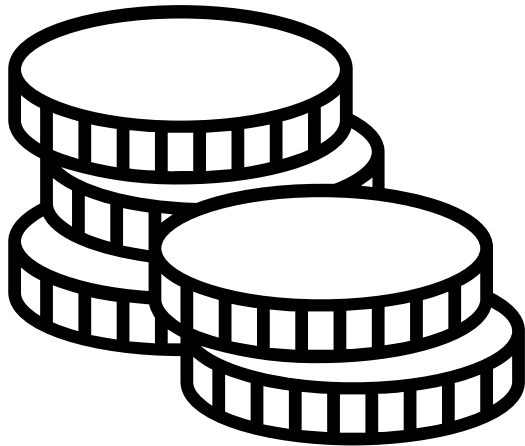
- Provided strategic and policy direction for the entire LISF programme
- Comprised representatives of MAAIF, UNCST, NARO, UNFFE, ULAA and NGO partners
- Met 3 times annually

Technical Committee

- Performed rigorous quality screening of CBO applications using the TEES (Technical-economic-environmental-social) framework.
- Composed of at least 5 members drawn from farmer representatives, research institutions, academia and NGOs.

LISF Secretariat (Hosted by EA & UNFFE)

- Operational coordination hub;
- Responsible for grants management, M&E systems, capacity building logistics and communications between all governance levels.
- Production of financial and narrative reports for donors



Community Based Organisation (CBO):

- This was the operational unit at community level.
- Required to be legally registered with LG and to hold an active bank account.
- CBOs received and managed grant funds on behalf of innovators.

Fund Management Committee

- Democratically elected by CBO members with a min. of 3 and a max. of 7 members and a requirement for gender balance.
- The FMC ran the entire local LISF cycle: issuing calls for applications, receiving and vetting submissions, disbursing approved funds, ...

Beneficiary Farmer Innovator

- Primary protagonist of the entire system.
- Required to demonstrate the existence of their innovation, submit a work plan and budget.
- Contributed 20% of total costs in kind and committed to sharing results openly with the broader community.

“The governance arrangements enabled LISF to perform effectively as it promoted accountability and reporting to donors and also helped attract further funding.” — KEA Programme Coordinator, Mityana

“There were very few cases of fund mismanagement. The Technical Committee structure meant that someone with research training was always looking at whether the innovation was real and viable.” — NARO Senior Research Officer

Criteria #1: T-Technically Feasible

The innovation must be practically implementable by the farmer using available local resources, skills and tools

Criteria #2: E-Economically viable

There must be a credible and realistic pathway through which the innovation generates income, reduces costs or improves productive capacity for the HH.

Criteria #3: E-Environmentally Friendly

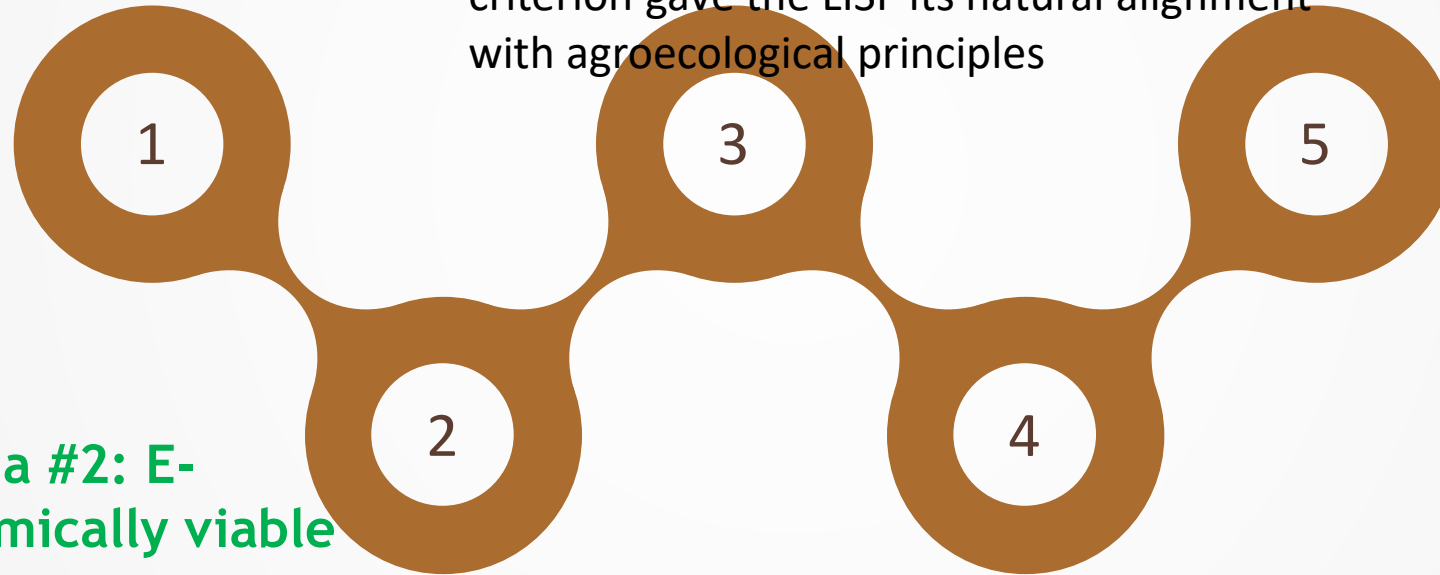
The innovation must not degrade natural resources and should where possible actively improve ecological health. This criterion gave the LISF its natural alignment with agroecological principles

Criteria #5 (Additional) ...

- The innovation must be original rather than an adoption of an already-known external technology.

Criteria #4: S-Socially Acceptable

The innovation must be consistent with community values and norms and must be open to community engagement and knowledge sharing rather than protected for private benefit.



1. Programme Reach and Beneficiary Profile

- The 33 HHs surveyed; *15 years later, 27 of them have active innovations to show for it — is the most compelling single piece of evidence that the LISF worked in Uganda.*
- The gender composition of the sample—*63.6% female—reflects the deliberate equity architecture of the LISF selection criteria; women were actively encouraged to apply.*
- The age profile of beneficiaries—average 55.7 years—*reflects a pattern common across African smallholder agriculture.*

2. Impact on HH Food Security & Income— Food Security (A Durable Transformation)

- 91% of surveyed HH —30 of 33—reported improved food security as a direct result of LISF-supported innovations, a # that to be read slowly.
- These are not respondents who were surveyed 6 months after receiving a grant and asked whether things seemed better.
- These are farmers who received small grants between 2007 and 2011 and who in 2026 attribute continued improvements in how they feed their families to the innovations that money helped them develop.

3. Household Income: Small grants and large life changes

- 88% of beneficiary HHs —29 of 33—reported that income from farming increased following LISF support; 5 out of 8 KII respondents rated this outcome as Significant and three as Moderate.
- These income gains were not marginal improvements; but gains that changed the trajectory of families: university fees paid, medical emergencies covered, land purchased, homes built and farm assets acquired that further amplified earning capacity

4. Women's empowerment and social Inclusion – Women's Welfare: The strongest outcome in the dataset

- 88% of HHs surveyed reported improved welfare for women; (87.5%) – 7 out of 8 KII respondents rated women's participation as Significant. Not a single respondent rated this outcome as Minimal or None.

5. Youth Engagement – *the Honest Reckoning*

- Youth engagement was the most mixed and honestly contested outcome of the LISF.
- 67% HHs surveyed reported some improvement in youth engagement with farming
- Barriers were structural and cultural: Land tenure insecurity means that many young people do not own or control the land they would need to implement an innovation at scale; while cultural perceptions in many communities continue to frame agriculture as a fallback occupation for those who did not succeed in the formal economy.

6. Innovation Capacity & Agroecological transition: *The 15-year test*

- Extraordinarily 81.8%: the proportion of LISF-supported innovations that were still active in 2026, between 15 & 19 years after the original grants were disbursed.
- No conventional development programme expects or claims such longevity.
- The reason the LISF achieved was structural: LISF did not introduce external technologies that communities must maintain; instead, it identified and amplified technologies that communities already owned, understood and have embedded in their agricultural practice

7. Agroecological transition: A quiet revolution

- 4 out of 8 KIIs rated the agroecological transition outcome as Significant; 4 as Moderate.
- The innovations supported by the LISF were overwhelmingly aligned with agroecological principles by the internal logic of the TEES criteria: the requirement for environmental friendliness meant that chemically dependent or ecologically destructive innovations did not qualify for funding

“Many farmers stopped buying chemicals because of the new innovations within the line of pesticides and herbicides. They developed their own from local materials and in doing so they also reduced their exposure to toxic chemicals.” — KII-04, Kalunduka VSLA Treasurer

“It was a transition of farmers toward regenerative agriculture. Farmers are now on a smarter path than the way they were before the LISF.” — KII-08.

Challenge	Evidence/Consequence
Inadequate funding and short project cycles	Grants averaging UGX 100,000 (approx. USD 27.4) at the median were frequently disbursed which was insufficient to take innovations through a full development cycle from experimentation to commercialisation; Short project durations— sometimes under 12 mnths
Fund misuse and non-repayment	Despite comprehensive financial management training, some beneficiaries misused grants or failed to repay revolving fund contributions. <i>This eroded group trust</i>
Intra-group conflict over limited resources	Competition for a limited pool of grants created internal tensions within farmer groups
Literacy and application barriers	- Written application requirements excluded the most marginalised innovators in communities with high rates of illiteracy. - NGO field staff stepped in to assist but this was not systematically planned or budgeted
Low & uneven youth engagement	Structural barriers: land tenure insecurity and cultural perceptions of agriculture as low-status — prevented the LISF from achieving systematic youth engagement
Absence of IP protection and research validation	Innovations were not scientifically validated or intellectually property-protected, limiting their replication at scale, their commercialisation through formal market channels and their credibility in the eyes of institutional buyers and research communities
Market access barriers	While the LISF successfully supported primary production and processing innovations, the barriers to market access — certification, packaging standards, transport, and buyer networks— were largely unaddressed. Many innovations that reached product-ready stage could not reach the market

# SN	Description
Lesson 1:	Farmers are the primary innovators and always have been. The LISF's greatest contribution was not the money it disbursed but the institutional recognition it conferred: <i>that the knowledge inside a smallholder farmer's head is scientifically legitimate and worthy of investment</i>
Lesson 2:	Small grants can catalyse large change but only with the right accompaniments. Grants of UGX 70,000 to 100,000 were sufficient to test, improve and commercialise innovations when they came with training, backstopping, community validation and the time to mature. <i>Grants alone do not work!</i>
Lesson 3:	Strong community structures are the biggest anchor: CBOs with strong governance structures performed significantly better than those with weak ones. <i>The quality of the container determines the quality of what it holds.</i>
Lesson 4:	Governance and capacity building are not cost items to minimise; they are the foundations without which the entire system fails. Every KII respondent who described a governance or accountability failure traced it to a weakness in either the governance structure or the training provided. <i>Every success traced to strong governance</i>
Lesson 5:	Revolving funds are possible, but they require sustained institutional support not just initial design. The communities where revolving funds survived had ongoing engagement from implementing partners. Where that engagement ended so did the fund. <i>Non-repayment is a design challenge not a reason to abandon the mechanism</i>
Lesson 6:	The community infrastructure outlasts the project if you invest in it properly. The governance committees, VSLA structures, peer learning networks and innovation documentation practices established during the FAIR projects are still functioning in 2026. <i>This is the model's most powerful argument for reinvestment.</i>
Lesson 7:	The market and validation layers are missing and their absence costs dearly. Farmers who developed commercially promising innovations could not access formal markets, obtain product certifications or protect their intellectual property. <i>Embedding research validation and market linkage into LISF 2.0 is not optional</i>

Sustainability mechanisms: What survived and what did not?

- Sustainability mechanisms were established during LISF implementation e.g. the revolving fund structures and VSLAs; however, genuine mixed results.
- E.g. in Masaka district the VSLA that grew from the LISF continues to operate, channelling member savings into community lending for productive activities.
- In other communities revolving funds collapsed due to non-repayment & the absence of the enforcement mechanisms.

The lesson is not that revolving funds cannot work. It is that they require continuous institutional support — not just during the project cycle but through a planned and funded transition period that prepares communities to manage the fund independently. The LISF experience shows this transition was not always adequately resourced.

Policy influencing and institutional adoption

- Policy influence from the LISF was real but informal.
 - Organisations integrated innovation support into their programming and supported documentation and showcasing of innovations—a genuine form of approach adoption even if it was not formally named as LISF implementation.
-
- Ministries of Science and Innovation and of Agriculture should institutionalise the LISF approach and allocate budget for it within their own operational frameworks.
 - A farmer innovation fund within the national agricultural research budget would transform the LISF from a donor-dependent pilot into a permanent feature of Uganda's agricultural development architecture

Design Challenge	Recommendation for LISF 2.0
Inadequate and short-term funding	Increase the minimum individual grant to UGX 500,000 and design project cycles of at least 24 months
Illiteracy and application barriers	Develop oral and visual application formats in all major local languages. Commission dedicated community mobilisers whose explicit mandate includes reaching and supporting the most marginalised innovators
Absent scientific validation and IP protection	Establish formal institutional partnerships between the LISF Secretariat and NARO, UNCST and Makerere University. Embed a Research Liaison function in the Secretariat with a mandate to connect promising innovations to scientific validation, UNBS certification processes, IP registration and national research publication channels
Weak revolving fund sustainability	Co-design revolving fund rules with communities from the very first day of implementation. Link repayment timelines to income generation cycles rather than fixed calendar dates
Low youth engagement	Create a dedicated LISF Youth Window with its own call for proposals targeting innovations in digital agriculture, climate-smart production and agri-enterprise at the small and medium enterprises (SME) level

Design Challenge	Recommendation for LISF 2.0
Low youth engagement	• Create a dedicated LISF Youth Window with its own call for proposals targeting innovations in digital agriculture, climate-smart production and agri-enterprise at the small and medium enterprises (SME) level
Market access barriers	• Embed a Market Linkage function in the LISF implementation structure from the outset. Partner with private sector actors, cooperative unions and export organisations to create documented pathways from farmer innovation to formal market
Approach limited to grassroot farmers	• There will be need to widen the target beyond grassroot farmers to SMEs at all nodes of the value chain. • An innovation that a farmer develops can be scaled by an agri-enterprise and the LISF should create pathways for that collaboration rather than treating farming and enterprise development as separate domains
Weak policy institutionalization	• Formalise engagement with MAAIF, NAADS and NARO through legally binding MoUs that define how LISF-identified innovations will be reviewed for integration into national extension and research programming. • Work with UNFFE to position LISF 2.0 as a policy advocacy vehicle that feeds farmer innovation evidence into the national agricultural research agenda. Advocate for a dedicated farmer innovation budget line within the national agricultural research allocation

THE END

Overview of the LISF findings from 8 countries

Brigid Letty, Paul Jimmy, Jacob Wanyama, Chesha Wettasinha and Sharad Rai

Webinar, 29 May 2026

Introduction

- ▶ Prolinnova has a history of piloting LISFs - FAIR, ELIFaNS
- ▶ LISF - or Local Innovation Support Funds/Facilities are mechanisms to put funds into local structures to support local innovation processes such that the local structures (CBOs, Community Trusts, Microfinance organisations) are in control of screening, disbursing and monitoring funds.
- ▶ Local structures with MSPs make their own decisions about how the system will work - but guided by some key principles
- ▶ We saw opportunity to learn from how different CPs have operationalized LISFs
- ▶ 11th Hour Programme - funded by Schmidt Family Foundation - provided an opportunity to explore and document this.

Process undertaken

- ▶ Initially 7 CPs were proposed, but then other CPs were proposed by SRCs and finally we included Benin, Burkina Faso, Cambodia, Cameroon, Ghana, Kenya, Mali, South Africa and Uganda.
- ▶ Prepared a template to guide data collection and reflection.
- ▶ Made funds available to CPs to undertake a review of existing reports (especially for FAIR) and field work to gather information - interviews, FGDs.
- ▶ Then CPs wrote up cases that were collated into a single document - basis for this webinar and for a policy brief.
- ▶ An opportunity for internal learning that can guide future application of LISFs - how to make them truly community managed, how to sustain them, how to achieve impact.

Overview of the CP cases

Country	CP Start	LISF Introduced	Projects using LISFs
Cameroon	2011	2017 (PROLI-FaNS)	PROLI-FaNS, SULCI-FaNS, PIPA-DAC
Benin	2021	2023 ELIFaNS	ELI-FaNS
Ghana	2004	2008 (FAIR)	FAIR, Proli-FaNS, SULCI-/ ELI-FaNS
Mali	2007	2016 (PROFEIS)	PROFEIS, FaReNe
Uganda	2003	2007 (FAIR-1)	FAIR-1, FAIR-2, FAIR-3, CLIC-SR
Kenya	2007	2008 (FAIR)	FAIR, CLIC-SR, Proli/SULCI/ELI-FaNS
South Africa	2004	2006 (FAIR pilot)	FAIR, ELIFaNS
Burkina Faso	2007	2016 (FaReNe)	FaReNe, SULCI-FaNS, ELI-FaNS

Country	Approx. Beneficiaries	Grant sizes	Grant Disbursement Mode
Cameroon	~13 individual / group beneficiaries	Avg approx 300 USD	Cash (direct disbursement)
Benin	14 grants under ELI-FaNS (89% women/youth)	Avg approx. 150 USD	Cash / microfinance institutions
Ghana	137 approved in FAIR; 21 under SULCI/ELI-FaNS	Avg approx. 100 USD	Cash (FAIR); Inputs/materials (later projects)
Mali	348 people reached (211 women)	RaReNe (avg approx. 810 USD) PROFEIS (avg approx. 11,700 USD)	Co-financing (grant + revolving loan)
Uganda	179 grants (FAIR 1&2); 52% women	Avg approx. 72 USD	Cash to Fund Management Committees
Kenya	~120 grantees (2008-2025)	Avg approx. 100 USD	Mobile money (M-Pesa)
South Africa	25 approved (FAIR); 5 approved (ELIFaNS)	Avg approx. 150 USD	Input-based (procurement & distribution)
Burkina Faso	17 approved (FaReNe); SULCI-FaNS (77); ELIFaNS (12)	Avg approx. 100 USD Collective for equipmen: 2 700 USD	Grants (pilot/innovation); revolving fund loans

Different LISF models

- ▶ Pure grant model (non-repayable)
- ▶ Grant with a co-contribution (inkind)
- ▶ Dual model: Grant (training/experimentation) and low interest revolving credit (income-generating activities)
- ▶ Revolving fund with joint/solidarity guarantees (with MFI partners)

Key findings from different CP LISF models

- ▶ Cameroon - 2017 ProliFaNS introduced LISF (4), LGC MSP, then SULCI-FaNS (1 for its members) then PIPA-DAC (4), contracts! Payments in installments. M&E by PMU, sustainability challenge
- ▶ Benin - 2023 - ELIFaNS (14), grants, MSPs opened accounts with microfinance institutions - received funds from host, cash disbursements, did not rely on contracts - rather publically validated processes, project M&E, sustainability challenge
- ▶ Ghana - 2008 FAIR (137), 2016 Misereor projects (25+21), grants + co-contribution, material resources, MSP/LMC, funds via local NGO, cash for events, exploring VSLAs, project M&E; sustainability challenges (VSLA loans), one site encouraged re-investment by innovators, local buy-in
- ▶ Mali - 2016 PROFEIS/Farane (USD 30K) (5+19 (12 were groups), 348 ppl), MSP/high repayment rates, revolving system, contracts, co-financing, cash disbursements, funds via local partners/MSPs, included non-experimentation activities such as livestock rearing, experimentation non-reimbursable, Monitoring, Sustainability achieved through revolving model

CP findings cont.

- ▶ Uganda- 2007 FAIR (179), 2014 CLIC-SR, incl. revolving and repayment mechanisms, 20% inkind commitment & willingness to share findings, EA had LISF secretariat and CBOs with Fund MCs managed funds and M&E, some VSLA structures survived, market linkages were missing,
- ▶ Kenya - 2008 FAIR (35), 2013 CLIC-SR (37), 2016 PROLI/SULCI/ELI-FaNS (20+23+18). LMSPs/LMCs, budget discussions, no contract, M-Pesa, grants, M&E, reinvestment plans for future.
- ▶ South Africa - 2006 FAIR (25), 2024 ELIFaNS (5), FAIR - Trust and Farmers Forum, ELiFaNS - iThembelethu CBO, LMC, grants, many requests not eligible, administrative costs, no contracts, project M&E, inputs not cash.
- ▶ Burkina Faso - 2015 FaReNe (17). 2018 SULCI-FaNS/ELI-FaNS (77 + 12), grants for pilot innovation, revolving fund/joint solidarity guarantees for business plans, zero interest loans, no material collateral required, LMC/MSP, MFI partnership, ARGs, LISF as co-funding, *Warrantage system*, sustainability challenges

Cross-cutting lessons learnt

- ▶ Insufficient funding for LISFs - grants too small to be able to have real impact.
- ▶ Financial management of local structures problematic and misuse or diversion of funds
 - ▶ Solution: Avoid cash disbursements
- ▶ Application processes challenging due to low literacy of many innovators
 - ▶ Oral applications, own language, provide support
- ▶ Loss of institutional memory
 - ▶ Solution: Detailed documentation
- ▶ Limited M&E
- ▶ Sustainability



Commonalities across LISF cases

- ▶ Governance arrangements (multiple levels)
- ▶ Participatory selection / vetting of cases
- ▶ Capacity building - especially in financial management but also PID and LISF
- ▶ Gender focus - women were prioritised
- ▶ M&E / MERL - recognised as necessary, but sometimes weak
- ▶ WHAT DIFFERED? MODEL AND PURPOSE

What works

- ▶ Community-anchored governance
- ▶ Sustained capacity building
- ▶ Flexible, inclusive application processes
- ▶ Flexibility with financing models
- ▶ Long-term project cycles to allow governance structures to mature
- ▶ Systematic documentation to ensure institutional memory

What needs to improve

- ▶ Financial sustainability -possibly through VSLA, revolving funds or partnerships
- ▶ Policy institutionalisation through strategic partnerships with government, DFIs
- ▶ Transition support for revolving funds
- ▶ Youth engagement
- ▶ LISFs need to support establishment of market linkages

Key requirements for an institutionalised LISF Model

- ▶ Decentralised financing mechanism anchored in existing national and local institutions
- ▶ Community level MSPs formally linked to local ARD actors
- ▶ A locally-managed structured facilitation and governance system including a robust M&E system
- ▶ Knowledge products for advocacy



Challenges identified with conceptualising LISFs

- ▶ Confusion between LISF as a mechanism and the funds that are made available to support local innovation
- ▶ Funds being used to support production needs not directly related to experimentation / innovation
- ▶ Confusion over whether PID can also be covered by LISFs and, if so, how are the resource needs split between the LISF and the host organisation (i.e. inputs versus salaries of the staff that are supporting the PID process).
- ▶ It's been difficult to standardise what is recorded -does the LISF amount only refer to the inputs provided - what about the cost of support activities - e.g. Mali's large amount.
- ▶ Difficult to distinguish between project beneficiaries and LISF beneficiaries
- ▶ Is commercialisation and scaling seen as eligible for LISF support?
- ▶ Funds being disbursed via an intermediary that is not a local structure

Questions:

- ▶ Do we want revolving funds rather than grants?
- ▶ Do we want LISFs to also support outscaling / application of innovations within production activities?

