

# EQUITY BANK TO INCREASE AGRICULTURE LENDING

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Equity bank recently welcomed partners from aBi, the European Union, and the Royal Danish Embassy to the bank's head office at Church House. The meeting focused on exploring opportunities for partnership, business growth, technical assistance, and de-risking in the food and agriculture sectors, as well as initiatives supporting refugees, youth, and women.

The agricultural industry continues to attract low financing due to the financial institutions' perceived risk of the sector, which still depends on unpredictable weather patterns for the growth of their produce. As such, few banks have dared to go there. Equity bank is trying to change the narrative.

Gift Shoko, the bank's managing director, reaffirmed Equity Bank's commitment to fostering collaborations that drive inclusive and sustainable development.

By 2030, Equity bank aims to allocate 30 per cent of its portfolio to food and agriculture, up from the current 12 per cent.

Currently serving 2.2 million customers within the entire Equity group, the bank aspires to reach 8 million by 2030, propelled by enhanced digital financial solutions and deeper financial inclusion.

Financial literacy remains a significant challenge, as many borrowers struggle to utilize loans productively.

"There is a pressing need to instill commercial acumen, security, and responsible borrowing practices. We plan to develop lending frameworks tailored to smallholder farmers," the bank said in a statement.

It added: "We are eager to continue our partnership with aBi Finance on lines of credit, agricultural guarantees, and technical assistance, while also exploring new opportunities with aBi Development to leverage farmer data for improved financial service delivery."