

February 2016

Dear Microcredit Summit Campaign and fellow partners,

With this letter Propagate, a coalition of smallholder finance practitioners, state our commitment to take specific, measurable, and time-bound action to *help create a world where access to finance is not longer a barrier to the prosperity of smallholder farmers, their families or their communities.*

Most of the world's poor are farmers. But only 3% of smallholder finance demand is currently being met by the financial inclusion sector. We have come together as a group to propagate the message that smallholder finance offers one of the greatest opportunities for delivering growth and impact in financial inclusion today, and is essential in supporting the movement of millions out of extreme poverty.

We know that this bold goal will require global partnerships that enable organizations to work together in new and innovative ways across a broad range of financial and non-financial sectors to reach goals and benchmarks that could not be obtained working apart.

We also know that a goal means little without a concerted effort to honestly and accurately measure progress made towards it, and therefore we commit to measuring our progress toward our goals through a consistent and reliable system.

Propagate will:

- Share best practices, common principles and lessons learned to increase FSPs' capacity to deliver smallholder and value chain financing that enhances farmer productivity.
 - Goal for 2016: Participate in 2-3 key knowledge-sharing events in 2016 to present on smallholder and value chain financing.
- Influence the availability and structure of wholesale financing to attract appropriate investment and better support the growth of smallholder finance services
 - Goal for 2016: Meet with a key stakeholder group of investors to identify key challenges and common goals.
- Develop commercial and operational partnerships that drive product development and innovation in smallholder finance services and create stronger value chains for farmers.
 - Goal for 2016: Pilot at least 1 operational partnership and create a pipeline of potential future partnerships.

We look forward to presenting the progress we have made to reach these benchmarks at the next Microcredit Summit!

Sincerely, Propagate