

Briefing

Forests; Food and agriculture

Key findings and recommendations from IIED and partner research and action for entrepreneurial dryland groups and investors organising matchmaking events



Sustainable Forest Management Impact Program on DRYLAND SUSTAINABLE LANDSCAPES



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Key points

Climate trends pose an increasing challenge to the sustainable management of drylands, requiring countervailing investment to sustain livelihoods and avoid outmigration.

Current downward trends in official development assistance (ODA) raise questions over how to attract effective inward private sector investment for resilience in drylands.

Positive outcomes will depend on attracting the right sort of investors, business partnerships and innovation strategies and on enabling private sector policies and incentives.

Matchmaking events linking entrepreneurial groups of forest and farm producers with investors, buyers, research and innovation centres, and policymakers can help upscale investment in private sector dryland restoration.

Upscaling private sector dryland investment through matchmaking

Climate change in African drylands requires countervailing investments to restore ecosystems and secure inclusive economic opportunities. In the wake of falling official development assistance (ODA), the focus is shifting towards greater private sector investment in diversified green value chains (GVCs), which incentivise cultivation and rearing of multiple crops, trees and livestock to achieve more resilient dryland landscapes and livelihoods. This is a big ask. Progressive buyers or 'offtakers' and financial investors are thin on the ground in these challenging environments. But market links between smallholder producer organisations and companies give hope. In this briefing we share three successful examples of smallholder producer and private sector collaboration, from Namibia, Zambia and Zimbabwe, and discuss how 'matchmaking' events can increase opportunities for upscaling such market links, contributing to ecosystem restoration and reduced outmigration.

The need for investment in sustainable dryland management

The United Nations Convention to Combat Desertification, together with its sister Rio conventions, the UN Framework Convention on Climate Change and the Convention on Biological Diversity, all seek to halt or reverse the deterioration of vital ecological systems on which life and livelihoods depend. This mandate is especially urgent in Africa's changing dryland ecosystems, where rising climate variability, land degradation and biodiversity loss converge with growing socioeconomic pressures.

These climate change and dryland pressures significantly affect the Miombo–Mopane ecoregion,¹ which spans more than 3.6 million square kilometres across ten Southern African countries. Here, increasingly erratic rainfall patterns, extended drought periods and land-use

change threaten the sustainability of farming systems. This is particularly the case for smallholder households engaged in rain-fed agriculture, who face the potential double jeopardy of productivity decline and then forced migration when livelihoods collapse.

In this context, sustainable dryland management requires investments to both protect ecological functions and secure inclusive economic opportunities. The resilience of dryland food systems hinges not only on improved productivity, but also on diversification of crops and of tree and livestock products (including organic manure) within integrated production systems that support greater food, nutrition and income security. Resilience requires that at least some of these diversified components generate income, and it is here that deployment of private sector value chain investment can help.

The case for integrated green value chains

Investments in dryland areas should be reoriented towards integrated crop–tree–livestock (agroforestry) systems. These can deliver multiple benefits, from enhanced soil fertility and carbon sequestration to diversified livelihoods and biodiversity conservation. GVCs are value chains derived from resilient ecosystems such as these, which generate income from a range of sustainably harvested or cultivated natural products.

The products people choose to grow, harvest and market are shaped by the viability of such GVCs. Where markets are diverse and reliable, and where progressive private sector partners support value addition, dryland households are more likely to invest in diversified and sustainable production, helping shift landscapes from degradation towards restoration.

The Dryland Sustainable Landscapes Impact Program (DSL-IP) is a Global Environment Facility-funded programme that aims to catalyse the transition from degradation to restoration. A team from the Forest and Farm Facility (FFF) of the UN Food and Agriculture Organization (FAO) led by IIED and the FAO Forestry Division's private sector unit are supporting national value chain experts to develop GVCs across countries participating in the DSL-IP.

The case for more and better investment

Achieving transformation in Africa's dryland landscapes hinges partly on the availability of development finance ('enabling investment'). But it also requires inward private sector investment ('asset investment')² to increase the viability of offtake agreements, value chain innovations, private sector policies, and incentives that reflect the realities of smallholder livelihoods and diversified value chains. Leveraging private sector engagement to develop GVCs has risen as a priority in the wake of the decline in ODA.

Yet persistent challenges remain in attracting the right kind of investment (that is, patient, context sensitive and aligned with long-term local development goals),³ and the right kind of business partnerships.⁴ Key investment gaps in GVCs include:

- Aggregation facilities at the level of forest and farm producer organisations (FFPOs)
- Technical value addition and upgrading facilities to meet market quality standards (such as kilns and processing and traceability systems)

- Enabling grant finance to build management capabilities to meet quality, volume and consistency standards required by buyers
- Working capital to ensure producer organisations supplying products receive payment on delivery, to encourage loyalty and supply consistency, and
- Incentives for sustainable practices across wood fuel, charcoal, honey, other non-timber forest products and timber value chains.

Successful value chain investment cases

Numerous successful investment cases have emerged from the DSL-IP and Miombo–Mopane countries following interactions between private sector companies and FFPOs.

Ecoso Dynamics (Namibia)

Ecoso Dynamics is a leading Namibian enterprise managing sustainable, traceable supply chains for devil's claw, a high-value medicinal plant. This private exporting firm exemplifies how well-structured, community-anchored forest enterprises can attract and sustain investment while delivering environmental and social returns. It operates with more than 5,500 trained harvesters across 40-plus communities, offering a legally compliant and environmentally sustainable value chain.

The company is fully certified (organic, Fair for Life, access and benefit-sharing (ABS) compliant) and reinvests ABS revenues in local infrastructure, such as solar pumps and forest regeneration. Ecoso's model demonstrates how clear legal frameworks, producer training and market-access systems can make forest-based enterprises investment ready while ensuring biodiversity and livelihood protection.

Capital Frontiers (Zambia)

Capital Frontiers is a company that distributes charcoal to supermarket chains across Zambia. A participatory guarantee system (PGS) initiative in Zambia, under the FFF, promotes sustainable, legal and climate-smart charcoal production. Producers are trained and certified under a community-led PGS approach, ensuring accountability and trust. The model includes improved kilns, sustainable packaging and use of charcoal dust for briquettes.

One success story is from Choma, capital of Zambia's Southern province, where producers organised through the Choma Charcoal Association supply certified charcoal to Capital Frontiers. This model proves that with structured incentives, training and market linkages, even

traditionally harmful practices like charcoal production can support sustainable livelihoods. The model demonstrates the potential of community-driven certification and long-term buyer agreements to drive transformation in high-carbon rural value chains.

Glytime Foods (Zimbabwe)

Glytime Foods invests in and buys from FFPOs engaged in traditional Miombo woodland product value chains, such as for baobab, honey and marula. The company has successfully secured financial backing from Old Mutual by demonstrating strong governance systems and market credibility as a reliable buyer.

Glytime integrates FFPOs into a broader regional market ecosystem, sourcing raw materials like hibiscus from Malawi and honey from Zambia, and distributing finished products via retail partners such as Umoyo in Zambia. Importantly, Glytime recommends co-creation of projects (blending public and private finance) that build producer capacity to meet quality and consistency demands of the private market. This integrated business ecosystem demonstrates how trust, accountability and private–public–producer linkages can mobilise catalytic capital for green value chains.

Matchmaking between producers, buyers and investors

Business events,⁵ and especially ‘matchmaking’ events, are an important way to catalyse business partnerships between private sector companies, investors and local producer organisations.

Matchmaking events are a structured networking activity that bring together participants such as producer groups, buyers and financial investors who share interests, goals or business opportunities.⁶ These events facilitate short pre-arranged meetings, allowing participants to identify synergies, potential collaborations or partnerships in a focused and time-efficient way. Objectives can include fostering business partnerships, facilitating access to investment, prompting innovation, sharing successful models and helping shape the policy environment. Positive outcomes will depend on who is invited and how interactions are structured.

Effective matchmaking helps producers understand the needs of both buyers and potential investors and vice versa. It can also introduce these groups to research and innovation centres and to government officials who shape policies and incentives. Matchmaking builds mutual understanding, reduces the perception of risk between different parties, and

helps prepare producer groups to absorb capital and grow sustainably. Exposure to market players enables FFPOs to improve compliance, transparency and consistency — qualities investors look for.

Lessons from matchmaking events in the dryland contexts of Kenya and Zimbabwe were the subject of discussion at the DSL-IP’s third regional exchange mechanism meeting in Maputo, Mozambique, from 29 September to 3 October 2025.

A key insight concerned composition. Matchmaking flourishes when it brings together a diverse group of actors, each playing a unique role:

- Producer organisations and cooperatives
 - Early-phase enterprise groups — to pitch and refine their ideas
 - Mature enterprise groups — to attract inward investment
- Private sector buyers — to provide market access and offtake guarantees, which de-risk producer investments
- Financial institutions such as commercial banks, development finance institutions, microfinance institutions and venture capital funds — to provide capital (grants, debt, blended finance) to expand sustainable production and processing
- Local business incubators and accelerators — to support producer organisations in developing capacity to pitch, negotiate and structure deals
- Government policymakers (such as from ministries responsible for forestry, finance, trade and agriculture) — to create an enabling environment through targeted and coordinated policy incentives (including tax rebates, green procurement and start-up grants), legal reforms and coordination platforms to help crowd in private investors, and
- Research and innovation partners and donors — to offer technical insights, catalytic funding and convening power.

How to structure matchmaking events

Additional insights emerged at the DSL-IP’s Maputo meeting on the necessary steps for successful matchmaking and private sector-linking events. These events usually take one to two days, depending on their scale and level of ambition. Key steps include:

Effective matchmaking helps producers understand the needs of both buyers and potential investors and vice versa

Preparation and profiling

The objective of this is to curate a credible pool of each of the categories of actors described above. An important activity is to develop standard templates for collecting enterprise/business profiles covering product, impact, financials, investment ask and scaling. This should be followed by investor mapping to identify and then invite banks, development finance institutions, impact investors, anchor buyers⁷ and venture platforms interested in and/or aligned with green value chains.

Previous success has come from inviting financial investors from at least three categories: producer organisation savings and loans groups, savings and credit cooperatives, and credit unions; commercial banks and microfinance institutions; and development finance institutions that provide concessional loans and insurance guarantees.

Awareness raising, institutional strengthening and pitch preparation

This step aims both to ensure enterprises/FFPOs are ready to engage with private sector buyers and investors on professional terms, and to ensure that an institution such as an apex-level FFPO, government body or private sector association institutionalises the matchmaking event idea. A key process is to build awareness and provide training in pre-event pitch clinics, business model refinement sessions and investment-readiness bootcamps. It can be useful to engage GVC experts or experienced service providers in this process, including in partnership with business incubators, for example to support FFPOs in developing business plans, quality systems and aggregation capacity.

Just prior to the event, the facilitator can trial-run pitch decks, where enterprises/FFPOs receive support to prepare 5- to 7-minute investor pitch decks in a standardised format.

The event itself

The objective should be to facilitate structured interactions that promote trust, understanding and concrete leads. The matchmaking event's structure should allow the following:

- Early-stage enterprises to pitch their ideas in a rotating fashion to panels of private sector buyers and financial investors

- Mature enterprise groups with established buyers to attract investment for their more advanced business proposals
- In-country financial investors to discuss their investment and capacity needs with external development finance institutions, and
- Research and innovation centres and government officials to interact and learn from, and contribute to, future planning.

The event can be structured using the following guiding process, customised to the context:

- Opening keynote and panel discussions based on practical experience from panellists
- Speed networking and one-on-one pitch sessions
- Thematic breakout rooms organised by value chain/subsector/cluster (such as Forest Stewardship Council charcoal, baobab, honey and millet), and
- Exhibition booths for showcasing products, business models, technological innovations and research.

Facilitators should note and document one-on-one discussions held and the number of enterprises that secure follow-up meetings with financial institutions and buyers, including any initiated memorandums of understanding for co-investment discussions.

Follow-up and deal support

This step aims to sustain momentum and drive deals to closure. DSL-IP national teams and partner business development service providers offer tailored coaching and due diligence support. This may include deal structuring through facilitation of legal, financial and compliance advisory services to finalise investment terms.

Conclusion

Through the spread of matchmaking events for GVC development across dryland Africa, more examples will emerge of business partnerships that incentivise local producer groups to restore degraded landscapes. We hope this briefing encourages an increase in the use of such events.

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Notes

¹ Kapuka, A and Hlásny, T (2021) Climate change impacts on ecosystems and adaptation options in nine countries in southern Africa: What do we know?, *Ecosphere*, 12(12). doi:10.1002/ecs2.3860. / ² Elson, D (2012) Guide to investing in locally controlled forestry. Growing Forest Partnerships. www.iied.org/13565iied / ³ Macqueen, D, Benni, N, Boscolo, M and Zapata, J (2018) Access to finance for forest and farm producer organisations (FFPOs). IIED, London. www.iied.org/13606iied / ⁴ Núñez del Prado Nieto, I, Sorsby, N, Afroz, S, Dampha, A, Evers, S, Mencos Martin-Hidalgo, L, Montaña Rioja, A, Nguyen, H, González, J, Camara, K et al. (2025) Beyond just buying: investing in equitable value chain partnerships with smallholders. IIED, London. www.iied.org/22662iied / ⁵ Dutta, S (2025) Business events: a comprehensive guide. Educohack Press, Delhi. / ⁶ Muratore, C and Grouwels, S (forthcoming) How to prepare for and organize a matchmaking event — an FFF manual for enterprises associated with Forest and Farm Producers Organizations (FFPOs). UN FAO, Rome. / ⁷ 'Anchor buyers' are buyers that buy the bulk of a supplier's products and serve to anchor its profitability.



Knowledge Products

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The Forest and Farm Facility (FFF) is a partnership between the FAO, the International Union for the Conservation of Nature (IUCN), IIED and the European Agri-agencies (Agricord). FFF strengthens the organisations of Indigenous Peoples, forest communities and family smallholders to secure their rights, organise their businesses, sustainably manage their forests, and provide social and cultural services to the poor and marginalised.

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FIND OUT MORE

Our work on private sector investment in drylands is being undertaken as part of DSL-IP, which helps foster resilience of agro-ecological systems and forests. Find out more about our work on this issue at www.iied.org/dryland-sustainable-landscapes-impact-programme

