

March 30, 2009

Acumen Fund

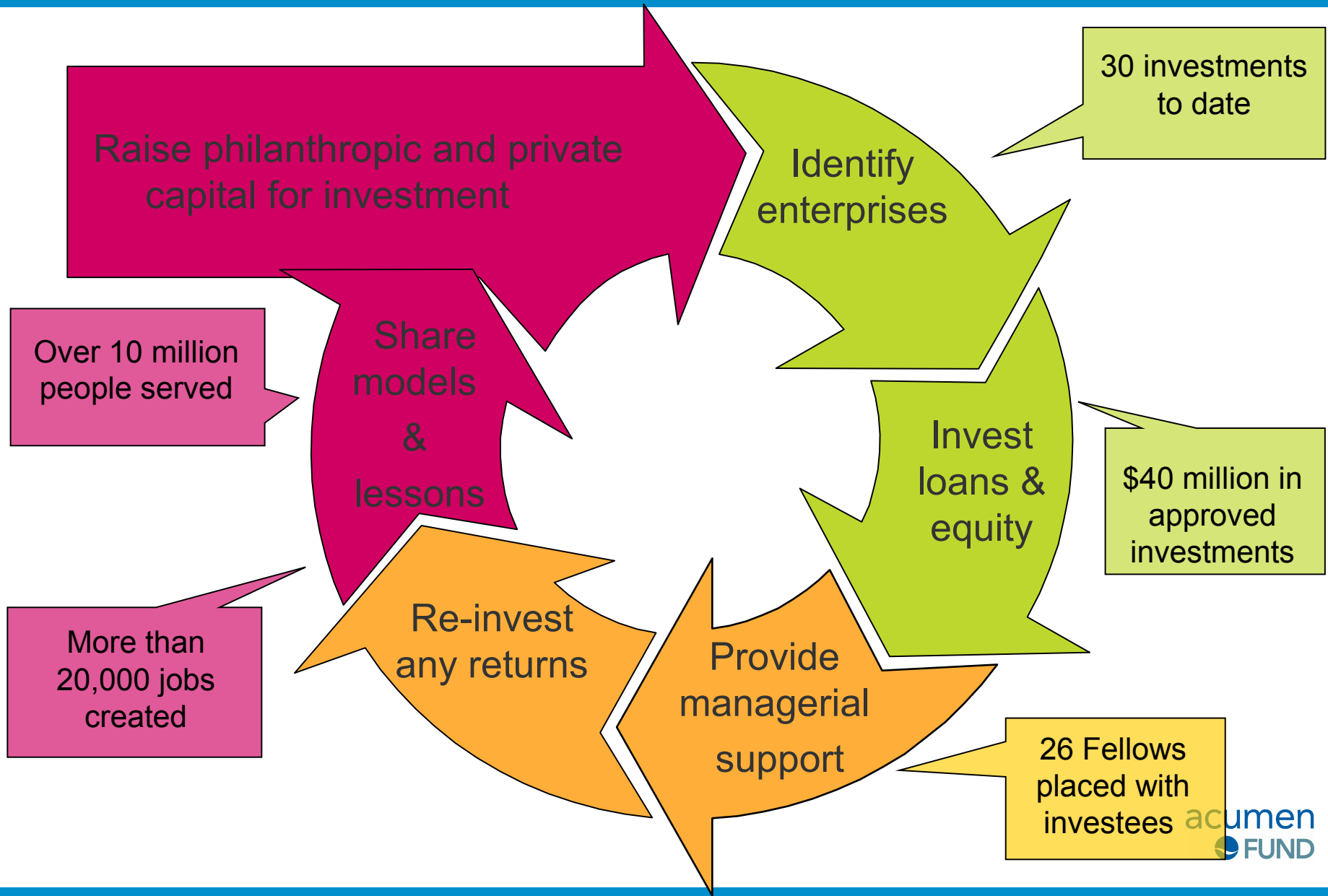
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**Acumen Fund is a non-profit venture
capital fund that invests in
enterprises that serve the poor**

The Acumen Fund model



Water challenges in Pakistan

- **Ag. provides livelihoods to 66% of pop.**
- **96% of country's water goes to ag.**
- **Per capita water cut in half over past 50 years – now considered “water scarce”**
- **Most of the country's poor are smallholder farmers**

Drip Irrigation: a possible solution



- **Increases yield by 20-100%**
- **Reduces labor and input costs (less weeding, fewer pests)**
- **Reduces soil erosion**

IDE India's irrigation technologies



- **ROI in < 1 year**
- **Miniaturized – ¼ acre**
- **Infinitely expandable**
- **Increases yields by 30%**
- **3 crops instead of 1**

Technology transfer to Pakistan



- Starting with the right leadership
- Partnership with IDEI and Thardeep built over 2 years
- 2 for-profit companies launched: GEWP & Microdrip
- \$1.5 million invested

Impact in India and Pakistan



- **IDE India and GEWP have sold over 250,000 systems, impacting 1.2 million people**
- **Pilot in Pakistan successful, and business model starting to scale**

Lessons Learned

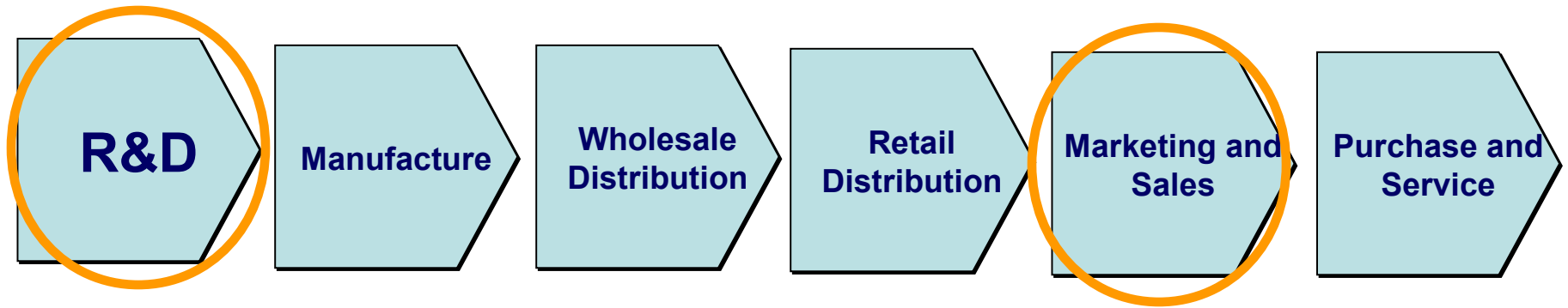


- **Design innovation to reduce price, improve usability**
- **Smallholders are price sensitive but ready to invest**
- **Building distribution networks takes time – aggregate markets**

Why subsidies fail to serve smallholders

- **Subsidies are for expensive irrigation products – still not affordable to small-holders**
- **Low income farmers are less equipped to apply for subsidies**
- **Cash-poor, farmers penalized by long wait times for refund**

Where do Subsidies Belong?







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