



Mercy Corps - AgriFin Accelerate Tanzania

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The Rural Economy, Agriculture & Digital Finance



Off-taker linkages with SHF: *A Space for Digital finance*

The Case of:



Bagamoyo Fruit Company

Out-grower horticultural farming

Bagamoyo Fruit



Company Overview

- Bagamoyo Fruit is investing in pineapples, passion, papaya with a processing centre and it exports to established markets in SA and Middle East.
- It employs over 300 people
- Working towards engaging 500 SHFs



Potential Digital Financing Solution

Traceability:

- Bagamoyo Fruits track the source of all the fruit produce it receives.
- Through digitizing its **supplier management function**, BFC identify farm, inputs used and agronomic services provided to farmer
- Room for financial products

Empien

Outgrower farming

Empien Farm



Company Overview

- Empien in Rukwa is investing in a 1000 ha farm land to produce barley, maize, beans, sheep and pigs,
- It has 250 ha pivot irrigated farm,
- Empien will also process produce
- Seeks to develop integrated farms and will buy produce from SHF in their out-grower scheme



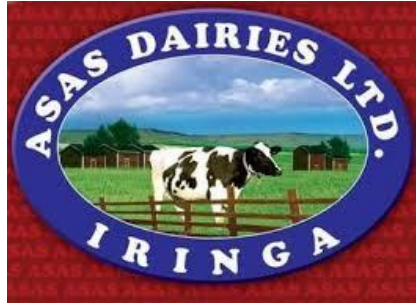
Potential Digital Financing Solution

Loan Products:

- Farmers who grow maize and barley deliver produce to warehouse; receipt can be collateral for ST loans
- Maize and barley are collateralized produce
- *Highly liquid crops*
- *Can be sold quickly at close to market price*
- *The process can be digitized*

ASAS Dairy

Dairy milk – out grower producers and central processing



Company Overview

- AD in Iringa, buying posts in Njombe and Rungwe district.
- It links and procures milk from 1,400 farmers for processing at its plant
- The plants capacity is 50,000 litres per day. The larger part of milk processed, over 70%, will come from the SHFs.



Potential Digital Financing Solution

Transaction Services:

- Farmers receive payments through their mobile wallets.
- Registered farmers can receive best practices and tips to improve production as well as
- Information on storing and transporting milk hygienically
- There is room for additional products e.g. insurance

Mtanga Foods

Produce aggregator



Company Overview

- MF of Njombe has invested in seed potato & other crops.
- Works with 18 SHFs groups, a total of 1,520 farmers
- Procures all the produce from SHF it supports.
- Potato is a key produce, over 40% of Njombe's total income



Potential Digital Financing Solution

Market Pricing Information:

- Farmers receive daily prices for a range of commodities, especially potatoes. Farmers are able to secure best pricing from Mtanga
- Can introduce payment and other FS.

The Clinton Foundation (Clinton Development Initiative)

Soya production



Company Overview

- CDI, has established an anchor soya farm which
- Engage 3,600 SHF on soil management and production sustainability
- Soya is a a high value commercial produce in Ludewa Songea.



Potential Digital Financing Solution

Crop Insurance:

- Farmers can buy crop insurance through their mobile phones
- They receive agronomic support as an added benefit.
- The crop insurance would cover the primary crop as well others e.g. maize which is also grown by the farmers

OTHERS

- TANSEED – SEED
- UNILIVER – TEA
- SILVERLANDS - POULTRY
- MTENDA KYELA RICE SUPPLY LTD
- MUVEK DEVELOPMENT SOLUTIONS - POULTRY