



AgriFinAccelerate

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Agri**tools**



ensibuuko



Growing Generations™



Mbegu Choice



AGRO SIM



Arifu

esoko



iCow



iShamba

iShamba



my smartfarm
greenfingertip intelligence



Connecting farmers



mobile agribusiness



M-SHAMBA
Making IT Happen



IET for Agriculture



Farm biz Africa



HOMERANGE

Poultry Kenya



Youth Agro Entrepreneurs



GRADUATE FARMER
Agribusiness made possible



Farming KENYA



WeFarm

Why build a farmer capability lab?

Financial literacy:

- SHFs are not fully aware of the range or use of digital financial services available to them

Digital literacy:

- SHFs are not tech savvy or live in areas with poor connectivity
- SHFs have concerns over money loss when using digital services as compared to tangible cash

Farm management:

- SHFs do not use the right agronomic practices to enable them maximize production and commercialize production

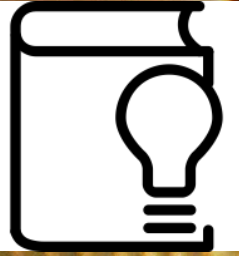
Market linkages:

- SHFs are disaggregated and are unable to profitably market their produce
- SHFs are unable to engage long term buyers and acquire soft collateral (e.g., forward contracts)

- Farmer capability is a key constraint to adoption and usage of financial services
- Digital channels present a low-cost solution to delivery of capability building, however, several constraints limit the uptake of digital financial services:

Objectives

Goal



Advance knowledge on agriculture finance (agrifin) sector

Frame and pursue a learning agenda to address core agrifin needs, pain points, and solutions



Build technical capacity of the agriculture value chain

Engage service providers in innovative partnerships to support financial, digital, and agronomic skills of farmers



Develop a community of practice to strengthen the agrifin ecosystem

Enhance market linkages to enable the growth of smallholder farmers (SHFs)

Provide farmers with the information, awareness and capability they need to access and fully use digital services (financial and information) to their benefit

Who is the smallholder farmer?



THE ASPIRER

"I'm planning to buy a bull. Artificial insemination is too expensive and we can't rely on it"

The aspirer sees opportunities. S/he is seeking a better life for the family while trying to build up the farm as a business. S/he saves money for daily household needs in MShwari and children's' education in SACCOs, but takes small loans for working capital for the farm. S/he may be impatient with cooperatives that take too long to pay and may restrict access to only certain service providers. S/he prefers payment every 2 weeks.

The key challenges for the aspirer are building a stable financial base, making informed choices to drive business investments, handling emergencies (health) and low productivity during the dry season. Aspirers want to act on information they receive to improve their business and are willing and experienced enough to take some risks to build productive assets.



FINANCIAL BEHAVIOR

CASH IS PREFERRED BUT ACTIVELY USES MPESA ACCOUNT
SOMETIMES USES MSHWARI FOR LOANS (EMERGENCY BUT FOR FARM TOO)
BANK ACCOUNT USED ONLY TO RECEIVE MONTHLY COOP PAYMENTS
MEMBER OF MULTIPLE CHAMAS AND HELPS OTHERS THROUGH HARAMBEES



TECH BEHAVIOR

OWNS A FEATURE PHONE
TECHNICAL SMS BLAST WAS INTERESTING BUT TIRED OF COST AND REPETITION
TV & RADIO ARE TRUSTED SOURCES OF INFORMATION
WILL CONTINUE TO ACCESS LOANS OVER THE PHONE FOR CONVENIENCE AND SPEED.

Who is the smallholder farmer?

THE STRIVER

"When I needed to know what to do with my farm, I used to be able to go to my Father. Since he passed away, I go on Google to learn."

The striver is a young and passionate farmer, but still learning how to farm. He is driven, but not sure who to trust. The Internet and youth support groups are key resources.

The key challenge for the striver is decision making related to farming, how to use precious resources and deciding who to listen to. He is still building market contacts, hands-on experience and struggling to understand how to best save and invest for his future. Animals fertility, productivity and farm security are needs.



FINANCIAL BEHAVIOR

- HAS MPESA ACCOUNT, BUT RELUCTANT ABOUT MSHWARI
- WORKS WITH YOUTH SAVINGS GROUP, DOESN'T TRUST COOPERATIVE
- SIDESSELLS TO INCREASE CASH
- NEEDS FINANCIAL ACCESS FOR LARGE PRODUCTIVE ASSETS TO GROW



TECH BEHAVIOR

- SMARTPHONE USER: A BUSINESS TOOL FIRST, SOCIAL TOOL SECOND
- DOESN'T LIKE SMS TIPS FOR FARMERS BECAUSE THEY DON'T ANSWER QUESTIONS WHEN HE NEEDS IT
- WILLING TO PAY CASH FOR NEW SMARTPHONE

Who is the smallholder farmer?



THE ACHIEVER

"Farming is my business. I earn money for myself and help my boys finish school."

The achiever is doing well, maintaining a growing farm business and stable home environment, meeting education, health and business goals. He or she envisions expanding the business by acquiring more land, more productive assets, etc.

He/she has established a good system to manage the farm, cashflows and multiple financial partners/products, and regularly acts on technical advice to improve productivity, while always looking for ways to improve and earn more.



FINANCIAL BEHAVIOR

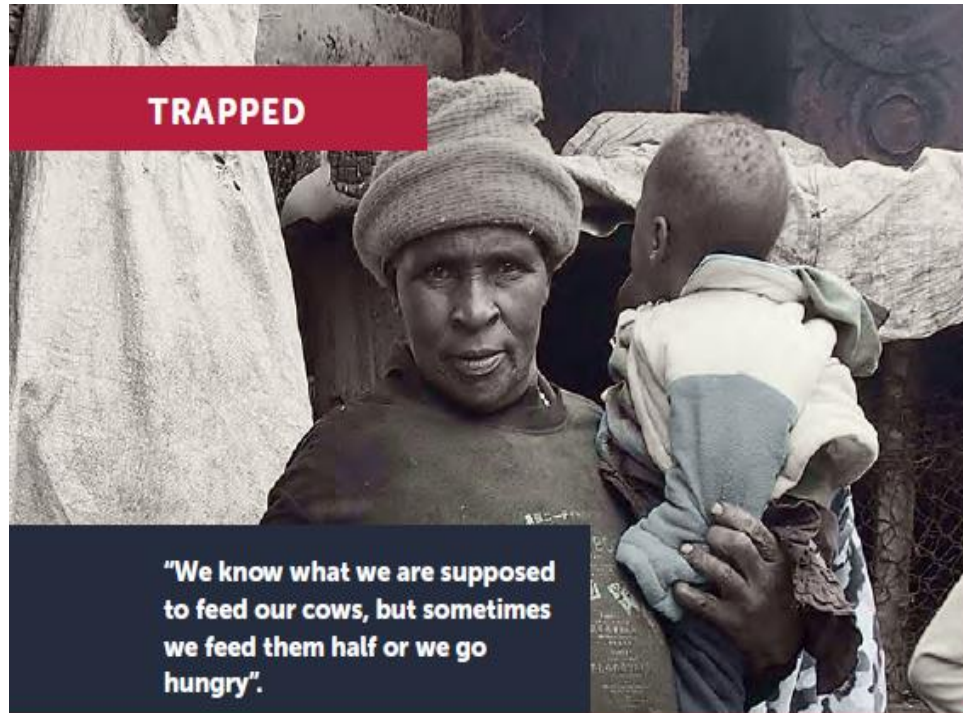
- HAS BANK & MPESA ACCOUNTS (MPESA IS SAFER THAN CASH)
- IS PART OF SEVERAL INFORMAL SAVINGS GROUPS
- DEDICATED MEMBER OF COOP – APPRECIATES LUMP SUM PAYMENTS
- EMBRACES PRODUCTS LIKE INSURANCE



TECH BEHAVIOR

- ALREADY HAS A SMARTPHONE (OR IS BUYING ONE)
- SMS NOTIFICATION FROM COOP IS IMPORTANT AND HELPS TRACK BUSINESS PERFORMANCE & FINANCES
- MOBILE PHONE IS A TOOL FOR INFORMATION AND ENTERTAINMENT

Who is the smallholder farmer?



FINANCIAL BEHAVIOR

MPESA ACCOUNT (DORMANT)

COOP BANK ACCOUNT (FOR MONTHLY COOP PAYMENT) BUT DOESN'T USE THE ATM

IS PART OF A CHURCH SACCO

USING MANY FINANCIAL INSTRUMENTS, BUT NONE MEET HER NEEDS



TECH BEHAVIOR

LOVES THE RADIO AGRI PROGRAM

OWNS A FEATURE PHONE, BUT RARELY USES

CHILDREN HAVE FB ACCOUNTS

CANT AFFORD PAY TV, BUT LIKED THE FARMER TV SHOWS

Trapped is the pillar of his/her household but with tight cash and low family support, struggles to invest what is needed for the business and still feed the family.

Trapped is aware of the things that need to be done to help the farm become more productive, but cannot afford to take any action. Although the farm supports a large family, there is lack of adequate support from family members and it is difficult to support the growing number of children. With multiple generations living on the farm, there is little need for mobile phones for transfers or communications.

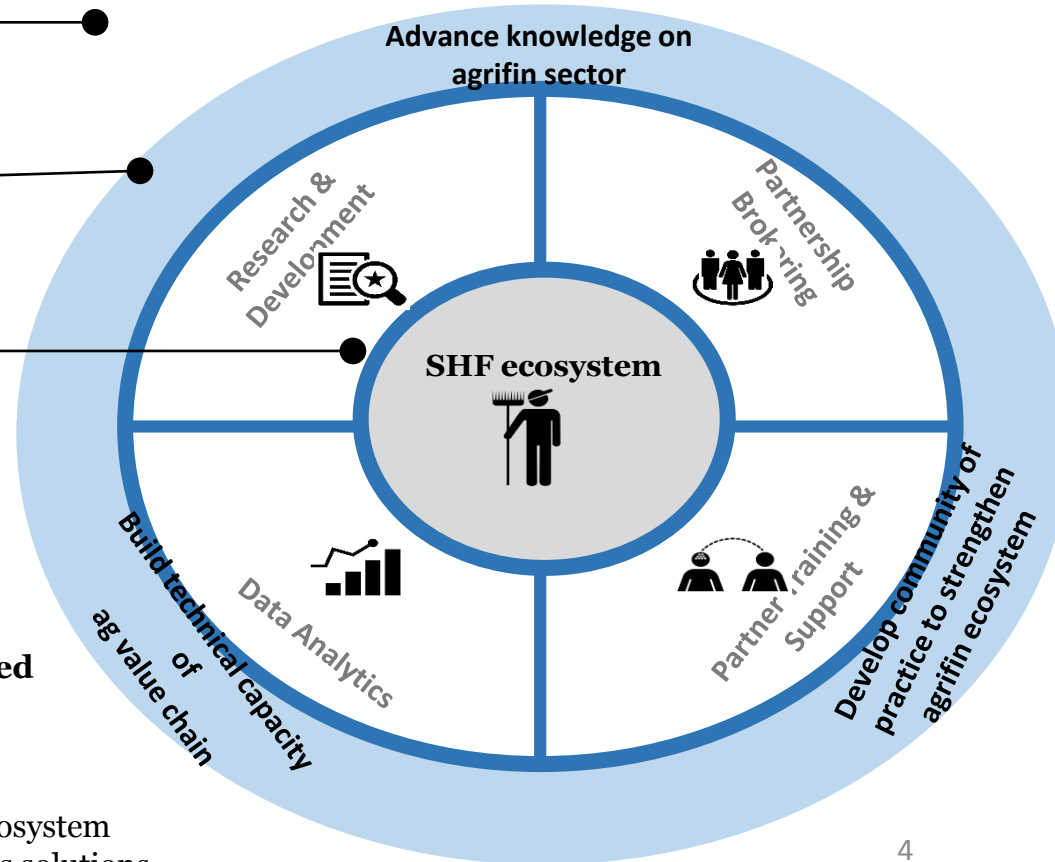
The FCL four “signature activities” focused on the farmer ecosystem

Strategic Framework

Key Objectives

Signature Activities

Intermediate and
Ultimate Beneficiaries



Operating Principles

- FCL will achieve this by using **human-centered design** to amplify the voice of the client
- FCL will focus both on **the farmer and the ecosystem**. By situating the farmer and the ecosystem at the center, FCL will create a model that builds solutions around ultimate beneficiaries, with their direct input

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“How can we viably increase SHF capability to utilize digitally-enabled financial products and services and convert access into increased productivity, income and resilience to shocks?”



AgriFinAccelerate

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MercyCorps Offices

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