

Connected Farmer Alliance: Vodafone, USAID and TechnoServe





My name is William Ndirangu

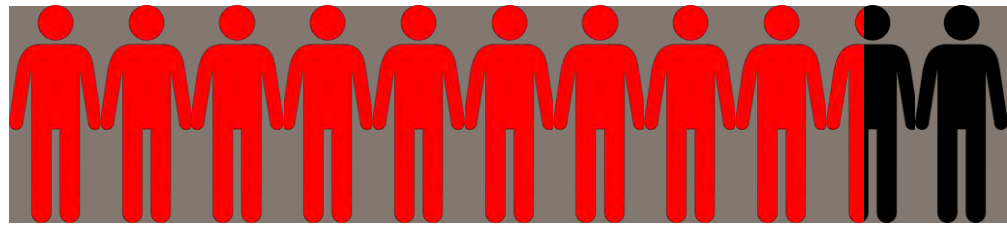
The Connected Farmer Alliance

What is it?

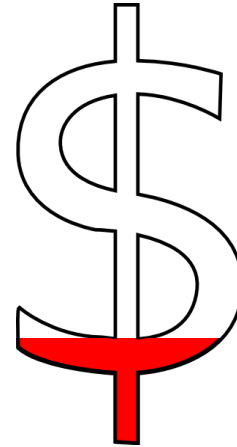
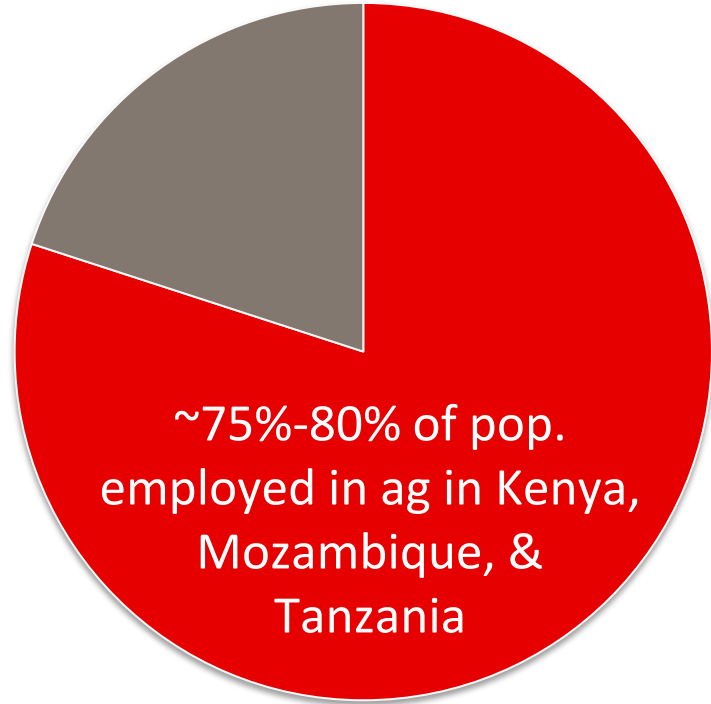


A Public-Private Partnership between Vodafone, USAID and TechnoServe to promote **commercially sustainable mobile agriculture solutions and reduce poverty / increase resilience for smallholder farmers** across Kenya, Tanzania, and Mozambique

Why?



< 1 Hectare



Only 20%
or less
of proceeds
reach farmers

Goals and approach reflect a need for both developmental and commercial impact

Goals

- Increase productivity and revenues for 500k smallholder farmers
- Increase revenues for agribusinesses

Technical approach

Pillar I

Develop commercially viable B2B supply chain solutions to increase agribusiness transparency and lower costs of doing business with smallholder farmers

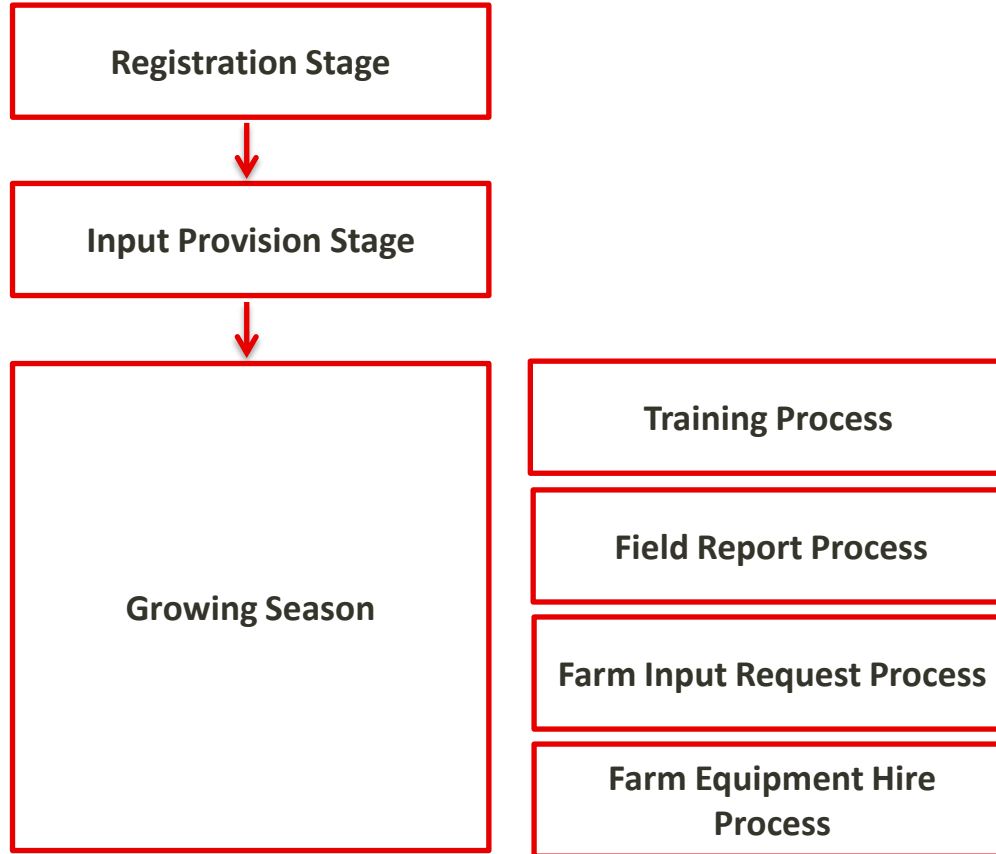
Pillar II

Develop mobile financial services beyond payments and transfers that enable rural farmers to accumulate assets, invest in productivity and lower financial risks

CFA will leverage expertise across all three partners



Sample process



CFA modules and pilot summary

Common supply chain challenges addressable by mobile

- **Farmer Data:** Generating and maintaining accurate farmer data
- **Loan admin:** Timely and accurate settlement of loans
- **Payments:** Timely payment of farmers
- **Communications:** Low-cost and fast communications to farmers (including agronomy reinforcement)
- **Logistics:** Scheduling and tracking pickup and delivery of product
- **Farmer feedback:** Low-cost and fast querying of farmers throughout season

Prelim CFA system

- 1 **Grower Registration System**
- 2 **Loan Repayment System**
- 3 **Payments / Receipts System**
- 4 **Farmer Notification System**
- 5 **Loading / Tracking System**
- 6 **Status Report System**

THANK YOU

What are the benefits of participating for agribusiness?

Custom mobile solution to enable easier sourcing from smallholder farmers

Illustrative supply chain pain points in working with smallholder farmers

- Frequent cash transactions across a dispersed geography
- Farmers side-selling in contract schemes
- Lack of internal transparency across supply chain
- Sourcing delays caused by fragmented supply chain



Potential benefits from a mobile supply chain solution

- Easier payments through m-Pesa / other mobile financial solution
- Increased farmer loyalty from sharing of information and agricultural advice
- Better visibility into firm supply chain to e.g: manage yield, volumes, forecast supply, & improve pesticide practices
- Streamlined transport due to real-time logistics data

Proposed mobile solutions & functionalities

Challenge	Solution	Functionality
1 Disintegrated farmer data	Grower Registration	<ul style="list-style-type: none">• Capture farmer data into predefined fields while allowing ease integration with other mobile modules/solutions
2 Transparency, Traceability, Time & Cost	Payments / Receipts	<ul style="list-style-type: none">• Allowing Agribusiness to make mobile money transfers to farmers without bank accounts.• Receipting system that captures farmers delivery data (bio & quantities) on real-time basis and communicates to HQ and farmer
3 Access to credit	Loan Request/ Disbursement	<ul style="list-style-type: none">• Allows farmer order credit advance through mobile• Allow farmers order input via phone and embed payment to produce (check-off)• Aids calculation of approved advance amounts – <i>based on past deliveries and advance/payment history</i>• Allows mobile dispersal of advances and receipts• Allows store clerks to input credit details via mobile
4 Communication	Notifications (SMS/IVR)	<ul style="list-style-type: none">• <i>One way communication</i>• Feedback to farmers on quality analysis report to help improve the consequent deliveries• Communicate prices, collection dates and training dates etc. to farmers

Proposed mobile solutions & functionalities

Challenge

Solution

Functionality

5

Extension & Data collection

Data Collection (SMS/IVR)

- *Two way communication*
- Enable targeted reminders to farmers on farm management calendar and tips while allowing farmers to query the agribusiness
- Data collection module such as yield forecast & other queries requiring feedback from farmers and receive analytics on the same

6

Coordination & Logistics

Tracking & Loading

- Allow mapping of available quantities from the various buying centers and plan collection routes
- Allow the Manager at HQ to assess the stocks collected at the buying centers and dispatch trucks for collection
- Allow the Manager to track the movement of the bags till warehouse

High-level criteria and expectations for potential partners

Baseline criteria

- Currently source goods from target geographic markets (Kenya, Tanzania, Mozambique)
- Committed to increasing procurement from smallholder farmers in these markets
- Facing challenges in the supply chain where mobile can play a role
- Senior level sponsorship for programme, including:
 - Senior point of contact to provide information and help manage the project
 - Potential co-investment pending on scope
- Commitment and signature to Memorandum Of Understanding to scale mobile service with Vodafone commercially if key success indicators are met

Expectations for engagement

- Attend preliminary workshop with TechnoServe, Vodafone and key stakeholders to scope out pilot remit
- Identify success criteria for the business
- Provide timely information on supply chain processes, market intel, and financial data
- Attend regular project meetings (bi-weekly during start-up phase)
- Assist in identifying sites / farmers for pilots
- Participate in the launch of the pilot and in regular interim reviews
- Approve of external communications on the programme

Going Forwards

There are still opportunities for agribusiness or finance organisations to partner under the Connected Farmer Alliance

Next steps:

- Potential focus areas: Maize, rice, horticulture, oilseeds, sorghum, nuts, chilli, cotton - potentially tea, coffee, cocoa – depending on smallholder component
- Register interest with Vodafone or TechnoServe
- If fit with established criteria, we would start to map the value chain and assess the applicable mobile modules