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

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 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 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