



PRESS RELEASE

Tapping into the power of innovative digital technologies to grow Kenya's smallholder agriculture

New initiative to address barriers to access and use

NAIROBI, 25 November 2015 - The MasterCard Foundation and Mercy Corps today launched a new program to help close the gap in access to financial and informational services experienced by smallholder farmers, especially women and youth, in Kenya. The program is part of a broader, US\$25 million three-country, six-year initiative supported by The MasterCard Foundation that is expected to benefit one million smallholder farmers. Other countries involved are Tanzania and Zambia.

Dalberg research shows that the global demand for agricultural financing, valued at US\$450 billion, largely remains unmet. In Kenya, where more than 75% of the population derives its livelihood from agriculture-related activities, this statistic represents a tremendous opportunity for financial services providers to contribute to improving access and raising farmers' productivity.

"At The MasterCard Foundation, we believe that transformational impact in Africa can come from enabling farmers, among others, to access appropriate financial services, skills and markets. Our support to the AgriFin Accelerate Program will contribute to improved incomes and the diversification of rural economies in the three countries," said Mark Wensley, Financial Inclusion Program Manager at the Foundation.

The MasterCard Foundation's support for agriculture and rural development in Africa totals approximately US\$300 million to date, with the lion's share of investments in financial inclusion projects.

Kenya has been dubbed Africa's "Silicon Savannah" as it currently leads the region in digital technology innovations, chief among which is Safaricom's M-Pesa – the revolutionary mobile money transfer service that currently boasts of nearly 20 million subscribers in Kenya and is used by more than 50% of farmers nationwide. Mobile money has increased access for millions of previously unbanked and underbanked people in Kenya and globally, making it a key enabler of financial inclusion. Airtel Money is the other major mobile money product in the country.

AgriFin Accelerate will collaborate with diverse actors in the smallholder farmers' ecosystem to understand the barriers to their access and use of digital financial and informational services, and develop appropriate solutions.

“Mercy Corps’ AgriFin Accelerate Program breaks new ground by developing and delivering bundles of digitally-enabled financial and informational services,” said Leesa Schrader, the program’s Director at Mercy Corps. “We are collaborating with The MasterCard Foundation to put smallholders at the center of product design and innovation, aligning with the interests and capacities of buyers, aggregators, technology platforms and financial service providers as partners in our technical engagement model.”

Digital financial and information services are critical in helping African smallholder farmers bridge farm productivity gaps through enhancing access, thereby increasing food security and farm-derived incomes.

In Kenya, where the ratio of agricultural extension agents to farmers stands at 1: 1,000, the use of the mobile phone and other devices by farmers to access agricultural tips online is gaining ground; especially among young farmers. They use the Internet and social media platforms to access information on how to produce crops and animals, to market their produce and to network with other farmers.

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Further Information

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About Mercy Corps

Mercy Corps is a leading global humanitarian agency saving and improving lives in the world’s toughest places. With a network of experienced professionals in more than 40 countries, we partner with local communities to put bold ideas into action to help people recover, overcome hardship and build better lives. Now, and for the future. For more information, please visit

www.mercycorps.org

About The MasterCard Foundation

The MasterCard Foundation works with visionary organizations to provide greater access to education, skills training and financial services for people living in poverty, primarily in Africa. As one of the largest, private foundations, its work is guided by its mission to advance learning and promote financial inclusion to create an inclusive and equitable world. Based in Toronto, Canada, its independence was established by MasterCard when the Foundation was created in 2006. For more information and to sign up for the Foundation's newsletter, please visit www.mastercardfdn.org. Follow the Foundation at @MCFoundation on Twitter.