



PRESS RELEASE

Smallholder Farmers in Tanzania to Benefit from New Program by Mercy Corps and The MasterCard Foundation

AgriFin Accelerate will boost access to digital financial and informational services for at least one million farmers in three countries

DAR ES SALAAM, 25 July 2016—Mercy Corps, in partnership with The MasterCard Foundation, today launched AgriFin Accelerate in Tanzania, one of three countries in Africa where the program will operate. AgriFin Accelerate will help close the gap in access to financial and information services experienced by smallholder farmers, especially women and youth. The US\$25 million, six-year initiative is expected to benefit at least one million smallholder farmers in Kenya, Tanzania and Zambia.

In Tanzania, more than 78 percent of the population is engaged in or derives its livelihood from agriculture-related activities. As in many developing countries, however, the demand for agricultural financing largely remains unmet. Financial service providers, such as mobile money operators and banks, face many challenges in improving farmer access to finance in order to raise agricultural productivity, yield and profitability.

The AgriFin Accelerate program will collaborate with smallholder farmers and diverse actors, working with them to understand barriers to the access and use of digital financial and information services. AgriFin Accelerate will then develop appropriate solutions and work to implement them with relevant stakeholders.

“New technologies and advances in mobile banking, as well as the increasing integration of smallholder farmers into better organized value chains, can promote solutions and affordable delivery channels that help close the inclusion gap for smallholder farmers who lack access to basic financial products and services,” said Leesa Shrader, the Program Director at Mercy Corps.

Mark Wensley, Senior Program Manager, Financial Inclusion at The MasterCard Foundation said, “We’re really pleased to support this partnership because it represents a major step forward in Tanzania to leveraging technology in order to increase smallholder farmer incomes.



This is possible by enabling smallholder farmers to access digital financial services and markets more easily, while strengthening their capacity and skills to utilize digital information.”

The rise of the ‘digital farmer’

Access to digital financial and information services is critical in enabling African smallholder farmers to bridge productivity gaps, thereby increasing food security and incomes.

According to the Tanzania Agriculture Census (2010), 98 percent of farmers in the country are smallholders who work on 2 hectares or less of crop land. Access to basic financial services, mobile money, mobile banking and other innovative tools may help these farmers, particularly vulnerable and low-income farmers who are committed to farming, to transition out of poverty.

According to a new national survey, only 10 percent of Tanzanian smallholder households have a bank account registered in their name. Nearly half of smallholder farmers report they do not have or use accounts at full-service banking institutions because the institutions did not offer them loans. Meanwhile, 75 percent of smallholders say they have heard of mobile money and 97 percent of those understand the benefits of mobile money. Advanced use of mobile money is still at a lower rate, but 32 percent of those who are aware of mobile money are saving money for a long-term purpose and only 10 percent make business transactions with mobile money.

The AgriFin Accelerate Program seeks to support and increase the number of these emerging ‘digital farmers’ to blaze a new path and show that engaging in agriculture as a business can be as profitable as any other business venture by using low-cost digital financial and information services.

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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.