

Scope of Work

Firm or Individual:	TBD
Program:	AgriFin Accelerate
Scope of Project:	Digitization of WFP farmer extension messages
Country:	Zambia
From:	15 Feb, 2018
To:	30 April, 2018
Task Manager:	Christabell Makokha, Country Director

Program Context

Nearly one and a half billion poor people live on less than US\$1.25 a day. One billion of them live in rural areas where agriculture is their main source of livelihoodⁱ. An estimated 70 million Small Holder Farmers (SHF) live in Sub Saharan Africa, over half of whom are womenⁱⁱ. Smallholders, who typically farm two hectares or less, provide over 80% of the food consumed in a large part of the developing world, contributing significantly to poverty reduction and food security ⁱⁱⁱ. However, increasing fragmentation of landholdings, especially in infrastructure, coupled with reduced investment support, growing competition for land and water, rising input prices and climate change threaten this contribution, leaving many smallholders increasingly vulnerable.

Transformational Potential of Agriculture

Agriculture has been found to play a powerful role in poverty reduction, especially when agricultural development has focused on small farms grow. It is estimated that a 1% increase in crop productivity reduces the number of poor people by 0.72% in Africa.

Given increasing world populations and demand for food, SHFs occupy an important segment of the global agricultural value chain^{iv}. Multinational buyers will increasingly rely on smallholders to secure their supply of commodities and to help satisfy consumer sustainability preferences^v. At an estimated \$450 billion, the global demand for smallholder agricultural finance is large—and largely unmet. Credit provided by informal and formal financial institutions, as well as value chain actors, currently only meets an estimated USD 50 billion of the more than USD 200 billion need for smallholder finance in the regions of sub-Saharan Africa, Latin America, and South and Southeast Asia^{vi}. Impact driven smallholder agricultural lenders, such as Root Capital in Kenya and elsewhere, currently satisfy less than two percent of the demand.^{vii} The volume and value of savings, lending and payment transaction SHFs in most African countries is not specifically measured.

Mobile phones are a powerful tool to access the electronic national retail payments system and enable vast numbers of clients to use a range of financial and informational services at lower cost. In agriculture, progressively more services are being delivered via mobile phone and as it was revealed in the 2015 Farmer Benchmark and Payment Study, 92% of the respondents owned at least one mobile phone. Applications such as iCow and Farpal direct specific, timely information on agricultural production methods to farmers through their mobile phones. Moving beyond one-to-one communication, M-Farm is an Internet- and SMS-based service in Kenya that allows farmers to aggregate; it publishes wholesale price information on 42 crops and provides a platform for smallholders to collectively sell crops and buy inputs, thereby lowering costs and accessing new markets.^{viii}

AgriFin Accelerate Program Overview

Drawing on Mercy Corps' experience implementing the AgriFin Mobile program and years of work in the agriculture, finance and ICT sectors, AgriFin Accelerate will **support the expansion of digital financial services (DFS) to one million farmers in Sub-Saharan Africa (SSA) over six years, delivered by growing ecosystems of diverse service providers**. AgriFin Accelerate's primary target group is unbanked smallholder farmers living on less than \$2 per day in Kenya, Tanzania and Zambia.

Three outcomes will contribute to the achievement of this goal:

Outcome 1: Market actors expand, improve and continue to offer high-impact DFS products and services that are tailored to address the expressed needs of SHFs;

Outcome 2: Farmers increase capability to access and utilize demand-driven, high impact technology-enabled financial products and services relevant to SHFs;

Outcome 3: Ecosystems around both supplier and farmers emerge supporting provision of digital financial and informational services to SHFs that are used at scale.

The program's core innovations are: 1) a **rapid iteration engagement model** to drive innovative, client-centric product development; and 2) our work with **partners to develop "bundles"** of mobile-enabled services offering farmers affordable access to digital financial and market informational services. Specific focal areas for innovation will include the use of **digital technology to educate and inform farmers to achieve financial health**, tech **start up acceleration**, the use of new and **alternative data** to support financial service design and the use of **human centered design** techniques to ensure products are closely linked to the needs of farmers, particularly women and youth.

Monitoring, evaluation and learning (MEL) will focus on supporting the building of high impact services at the farmer level, expanded and sustainable delivery at the partner level, and development of related market-oriented interventions supporting ecosystem development. The program will collaborate closely around learning with Mercy Corps' existing AgriFin Mobile program, already working in Uganda, Zimbabwe and Indonesia for 2.5 years.

Purpose of Engagement

One of the key challenges to Zambia's smallholder agricultural productivity and income growth is **inadequate access to information** on agronomic practices, extension, input and output markets. Farmers lack real time information about new technologies, improved farming practices as well as local or national market information. To this effect, production and productivity remain disturbingly low (1-1.5MT/ha maize yield on average), while farmers access **expensive informal credit** services and often sell their produce in distress at **below market prices**.

In Zambia, the FtMA has been focused on improving market access for smallholder farmers by connecting aggregators to off-takers through pre-planting procurement contracts signed with large-scale buyers. Currently the program has 44 aggregators and 158 rural buying points - who have managed to sell ~7,000 tons of agricultural commodities (mostly legumes) in Zambia. FTMA has recently piloted a trade finance product with Madison Finance that provided working capital to 3 aggregators in Southern Province. In November 2017, AFA worked with FtMA to conduct a case study of this aggregator financing model to better understand how aggregators can serve as intermediaries of FSPs to reach rural SHFs.

Smallholder farmers in Zambia struggle to access high value markets. To respond to this need, WFP has created **the Maano - Virtual Farmers Market**. Maano aims to make rural Zambian smallholder farmers visible to new buyers, reduce transaction costs for both buyers and farmers, thereby increasing the profitability and scale of trade for both sides. At the end of the pilot, Maano had reached over 3,000 smallholder farmers. In November 2017, AFA support Maano to conduct research to (i) inform WFP’s MEL mission for a “Maano – Year 1 – Lessons Learned” report, (ii) understand user experience and make design recommendations for version 3 release of Maano in 2018, (iii) provide a high-level GTM for Maano scaling through VSLAs to reach women smallholder farmers.

Mercy Corps will support WFP (FtMA and Maano) to develop digital training and information material for SHF, covering post-harvest management, output marketing, how to use the Maano app, and price negotiation skills, with a specific focus on how to reach women farmers.

Scope of Work

The scope of work shall include the following activities:

1. Concept development based on content from WFP
2. Script-writing: this will be an iterative process, taking into account input from AFA/WFP
3. Iterative video/audio content development process, taking into account input from AFA/WFP
4. Quality video/audio shooting based on the script
5. Video/audio scripts should be in English and be translated in Bemba, Nyanja and Tonga

Deliverables

Workplan: the contracted firm will develop a work plan for the engagement to include resources and time allocated to the assignment.

Progress updates: within the course of engagement, the contracted firm will provide AFA a brief verbal or written progress status and ensure timeliness of delivery of final product. This will include updates on uptake and use of the products developed

Final deliverables: high quality short films / WhatsApp videos as indicated below:

FtMA	Maano
Post-harvest loss materials: controlling quality 5mins video in English, Nyanja, Bemba, Tonga 4 videos	How to use Maano 2-3 minute video / screenshots in English 1 video
Post-harvest loss materials: managing crops 5mins video in English, Nyanja, Bemba, Tonga 4 videos	How to use a smartphone 2-3 minute video / screenshots in English 1 video
Post-harvest loss materials: storing crops 5mins video in English, Nyanja, Bemba, Tonga 4 videos	Negotiation skills 5-minute video / skit in English, Nyanja, Bemba, Tonga 4 videos
Market access 5-minute film in English, Nyanja, Bemba, Tonga	Book-keeping & basic financial management 5-minute video / skit in English, Nyanja, Bemba, Tonga

4 videos	4 videos
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Necessary Skills and Experience

The firm must have demonstrated experience related to filming agriculture-related interventions. Experience working in Zambia and/or on a similar assignment is a plus.

Ownership/Control of Work Product/Publication

Ownership and control of all work products related to this scope of work and partner engagement will belong to AFA and any learnings or publications derived from the work product will require prior written approval from AFA.

Authorship and Acknowledgement

Matters relating to authorship and acknowledgment of any materials produced by the vendor during the course of this engagement are addressed in the main contract agreement entered into between Mercy Corps and the vendor for performance of services for AgriFin Accelerate.

Task Manager/Reporting

The Task Manager for this engagement is AFA Zambia Country Director, Christabell Makokha. The selected vendor will direct all communications to the AFA Zambia country director, who has final sign off on deliverables and invoices.

ⁱ IFAD, Smallholders, food security, and the environment, 2013
ⁱⁱ IFAD, “Sub-Saharan Africa: The state of smallholders in agriculture”, Schonberger and Delaney 2011.
ⁱⁱⁱ Peck, Anderson, “Segmentation of Smallholder Households: Meeting the Range of Financial Needs in Agricultural Families”, CGAP Focus Note #85, April 2013.
^{iv} Dalberg, 2013
^v Dalberg, 2013
^{vi} MasterCard Foundation, “Inflection Point: Unlocking growth in the era of farmer finance”, April 2016
^{vii} Dalberg, 2013
^{viii} Peck, Anderson, “Segmentation of Smallholder Households: Meeting the Range of Financial Needs in Agricultural Families”, CGAP Focus Note #85, April 2013.