Challenges to create information hub and village finance in Mozambique

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Nippon Biodiesel Fuel (NBF)
Overview

Bio Diesel
Since 2013
Contract farming
For non-electrified villages

NBF (Nippon Biodiesel Fuel, Co., Ltd.)
Japan, since 2001

318 kL
Biodiesel was sold

2,366
Clients in unelectrified area

Agriculture
Since 2013
Discover local variety crops
Make a connection between rural and urban market

ADM (Agro-Negócio para o Desenvolvimento de Moçambique, Lda)
Mozambique, since 2012

100 t
Rice purchased from farmers

134
Clients in Pemba City

IT & Solution
Since 2015
E-Money Pilot Project
FAO E-Voucher Project

1+4
Provinces projects run

24,385
Card holders in E-voucher PJ
Local Production and Local Consumption

Bio Diesel

NBF

Jatropha seedlings

Farmers in villages

Jatropha seeds

NBF’s KIOSKs in non-electrified village

Maize mill owners in non-electrified area

Agriculture

Farmers in villages

Paddy rice

Polished and packaged rice

Retail shops and individuals in urban

NBF
Problems in KIOSK

Problem 1: Operation cost
- Low education level in rural areas
- Problems related with MONEY especially in harvest time

Problem 2: Lack of basic information
- Basic information of each farmer, such as crop harvest cycle or yield data

Agriculture

Farmers in villages

Paddy rice

NBF’s KIOSKs in non-electrified village

Jatropha seeds

Jatropha seedlings

NBF

Retail shops and individuals in urban

Polished and packaged rice

Maize mill owners in non-electrified area
POS Application and E-Money can be Solutions

Operator in rural areas

Tablet, Card Reader Writer and NFC Card

Equipment charged by solar panel

Solar panel
Digital Solution for Rural

**IT & Solution**

**E-Money Pilot Project**

- NBF’s KIOSKS in non-electrified village
- Cloud server
- Farmers in villages
- Buy / Sell
  - Cash in
  - Cash out
- Store management

**IT & Solution**

**FAO E-Voucher Project**

- Agro-dealers and outlets
- Cloud server
- Farmers in villages
- Co-payment
- Agricultural inputs
- Monitoring
- Project management
Findings and challenge

Findings

• There are certain needs for financial services in rural area
  • 88% of 4.6 million adult farmers live in rural and 73% of them are excluded from formal saving service * Source: Mozambique diagnostic report 2014, CENFRI, 2014

• NFC devices and tablet application can be used even for rural person

Challenge

• To spread financial services in rural areas by using digital solutions and to create the platform for information and economic activities

Capture of application used in E-Money pilot project
3 key strategical factors

• Mobile money
  – Collaborate with existing mobile money than acquire own license

• SMEs and Agricultural companies
  – SMEs: Next target of banking industry
  – Agricultural companies: Major economical accelerator in rural

• Application
  – Simple and easy UI, high multiplicity
Conclusion: Information and Financial Platform

Information of farmers’ transaction. → Economical capacity, productivity

- Productivity info
- Consumer market’s info
- Credibility info
- Local economical activity info

Agricultural company
- Crops buying & selling

Agro-dealer
- Agricultural inputs / Crops buying & selling

Retail / Wholesaler
- Daily consumption

Financial institutions
- Financial services (ex. Small loans, microfinance)

Government / Donors
- Planning and practicing Projects or incentives for development

Farmers in villages

NBF