GSMA AgriTech Webinar, 3<sup>rd</sup> October 2019 Making The Case For Agribusinesses To Invest In Last-Mile Digitisation





- The GSMA AgriTech programme
- Challenges emerging in last-mile sourcing
- Agribusiness **benefits** from value-chain digitisation
- Measuring success of digital-tool implementation
- The GSMA **Innovation Fund** for digitisation of agricultural value chains
- Support package for agribusinesses
- **Partnership** opportunities
- Q&A



## THE GSMA



Has represented the interests of mobile operators worldwide for more than

**30 YEARS** 

Unites hore than **750** mobile operators with almost **400** companies in t broader mobile

Convenes more than **200,000** people annually from across the globe to **industry-leading** events





Focuses on activities where collective action can deliver significant benefits



Led the mobile industry to formally commit to the Sustainable Development Goals



## ຈື່ຫຼືຈື່ຫຼື 58 million lives impacted to date



We drive innovation in digital technology to reduce inequalities in our world





## Reducing inequalities in our world

#### CLEANTECH

Leveraging digital technology as an enabler for the world's transition towards sustainability

#### ASSISTIVE TECH

Improving the accessibility and affordability of mobile services for persons with disabilities

#### M4D UTILITIES

Unlocking access to affordable and improved energy, water and sanitation services

## MOBILE FOR HUMANITARIAN INNOVATION

Accelerating the delivery and impact of digital humanitarian assistance

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#### MOBILE MONEY

Accelerating the digital financial ecosystem for the underserved

### CONNECTED SOCIETY

Addressing access and usage barriers to increase mobile internet adoption

### CONNECTED WOMEN

Reducing the gender gap to increase digital and financial inclusion for women

### DIGITAL IDENTITY

Enabling robust and unique digital identity for greater inclusion

#### ECOSYSTEM ACCELERATOR

Delivering social impact and scale through mobile innovation

### AGRITECH

Digitising the agri value chain to drive mobile financial inclusion for small holder farmers



## The GSMA AgriTech Programme

#### Vision

Equitable and sustainable food chains that empower farmers and strengthen local economies

#### Mission

We bring together and support the mobile industry, agricultural sector stakeholders, innovators and investors in AgriTech space to launch, improve and scale impactful and commercially viable digital solutions for farmers in the developing world



## Breaking down our focus areas





# Holistic digital agribusiness tools integrate multiple digital solutions that address last-mile challenges





# Business challenges emerge across all stages of last-mile sourcing

Value-chain stages	Farmer recruitment	Capacity building	Programme management	Crop purchasing	Financing
			LAST-MILE SOURCIN	IG	
Example value-chain activities	<ul> <li>Farm and farmer profiling</li> <li>Farmer onboarding</li> <li>Input provision</li> </ul>	<ul> <li>Agri extension support</li> <li>Farm Development Plans</li> </ul>	<ul> <li>Sustainability</li> <li>Certification</li> <li>Traceability</li> <li>Outgrower schemes</li> </ul>	<ul> <li>Crop collection</li> <li>Crop transportation</li> <li>Quality control</li> <li>Warehousing</li> </ul>	<ul> <li>Farmer payment</li> <li>Advances and loans</li> <li>Receipt issuing</li> </ul>
Example pain points	<ul> <li>Manual profiling is time-consuming and disorganised</li> <li>Manual record keeping makes reconciling input loans a challenging process</li> </ul>	<ul> <li>Information dissemination is costly</li> <li>Farmers are often busy and unable to attend</li> </ul>	<ul> <li>Manual data collection impedes progress tracking at real time</li> <li>Certification bodies may oppose manual records</li> </ul>	<ul> <li>Farmers side-sell as they are unaware of collection schedule</li> <li>Crop collection vehicles are not utilised efficiently</li> </ul>	<ul> <li>Cash payments are risky and costly</li> <li>Manual reconciliation of payments is lengthy and prone to errors</li> </ul>
Opportunity for last-mile digitisation	Flexible digital tool permits targeted and accurate collection of data in a variety of formats	Mobile technology allows crop buyers to disseminate information to farmers in a timely and cost effective way	Digital survey tool allows users to develop personalised questionnaires and track programme progress at real time	Farmer notifies buyer of intent to sell using mobile technology. Collection schedule is shared with farmers	Mobile money allows transition from cash to digital payments. Digital push notifications replace paper receipts



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# Value-chain digitisation leads to operational efficiencies and business performance improvements

## Example use cases in agricultural value-chain digitisation

- Manage last-mile transactions
- Introduce traceability
- Keep track of field training implementation
- Communicate directly with field staff and farmers
- Create customised visualisations and action plans

#### Operational efficiencies

- Efficiently audit farmers for compliance with certification programmes
- Achieve full and real-time visibility
- Establish effective communication channels
- Assess individual farmer and community needs
- Increase farmer loyalty

## Business-performance improvements

- Eliminate the high cost of cash payments
- Achieve better crop prices through improved management of crop quality
- Grow revenues by meeting the forecasted demand for crops
- Translate supply chain optimisation to profitability growth



# Relevant KPIs are required to determine success of any digital tool implementation project





## Example KPIs for measuring digital project success in cocoa value chain in Ghana

Value-chain stages	Farmer recruitment	Capacity building	Programme management	Crop purchasing	Financing
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Example KPIs	<ul> <li>Number of steps and time needed to profile farmers</li> <li>Percentage of farmers with rich media profiles</li> <li>Number of farmers joining company's agri-input distribution programme in the last season</li> </ul>	<ul> <li>Percentage of farmers benefiting from extension services</li> <li>Number of steps required to develop Farm Development Plan</li> <li>Average time needed to track progress of a Farm Development Plan in a given month</li> </ul>	<ul> <li>Grade given to last season's cocoa</li> <li>Time and money spent on calls to alert farmers of upcoming certification audit</li> <li>Time required to upload farmer training data in company's ERP system</li> </ul>	<ul> <li>Time and money spent on calls to farmers</li> <li>Average time needed by purchasing clerks to reach the weekly target</li> <li>Number of days between purchasing clerks' requests for evacuation<sup>1</sup> of crop and evacuation</li> </ul>	<ul> <li>Amount of cash in circulation at the HQ in a given month</li> <li>Amount of cash lost/stolen</li> <li>Number of steps carried out by company to process farmer payments</li> </ul>



# mAgric: MTN Ghana launches mobile-based tool that digitises crop procurement in the last mile

MTN Ghana's mAgric is a mobile-based application that enables purchasing clerks to record crop procurement from farmers digitally and pay farmers for their produce instantly via mobile money.

It address the inefficiencies of cash-based payments and the challenges of using paper-based systems. It offers buyers the opportunity to better manage the funds that go into the purchase of crops and maintain real-time visibility of the procurement process. Mobile money also reduces farmers' travel time and waiting time for payments, increases payment security and offers financial stability through better money management. Digital payments can serve as an entry point to financial inclusion for previously unbanked farmers.

mAgric currently targets farmers in the cocoa value chain, Ghana's most important cash crop and second largest export commodity. MTN Mobile Money is looking to expand the tool to more value chains and farmers.







## In June 2019, we launched the GSMA Innovation Fund for digitisation of agricultural value chains

In June 2019, the AgriTech programme launched the GSMA Innovation Fund (IF) for digitisation of agricultural value chains. A consortium of mobile operator and / or AgriTech provider could apply for funding.





## The fund will support up to 8 projects in eligible countries in Africa and Asia

### Africa:

- Angola ٠
- Benin ٠
- Burkina Faso .
- Burundi ٠
- Cameroon ٠
- Chad ٠
- Côte d'Ivoire .
- Democratic . Republic of Congo
- Ethiopia ٠
- Gambia ٠
- Ghana •
- Guinea .
- Guinea-٠ Bissau

Kenya

- l iberia •
  - Malawi
  - Mali ٠
  - Mauritania ٠
  - Mozambique ٠
  - Niger
  - Nigeria
  - Rwanda ٠
  - Senegal ٠
  - Sierra Leone ٠
  - Swaziland ٠
  - Tanzania ٠
  - Togo •
  - Uganda ٠
  - **Zambia** ٠
  - Zimbabwe .



- Bangladesh
- India
- Indonesia
- Nepal .
- Myanmar
- Pakistan
- Sri Lanka



Note: Markets highlighted in red are eligible for both Data Driven & Mobile Money Driven categories, while the rest are eligible for Mobile Money Driven only

### Madagascar

## Support package for agribusinesses

IF applicants need to secure commitments (at least one qualifying agribusiness partner and two further agribusiness clients) to pilot the service with. For selected markets, **GSMA can match you with IF applicants**.

	Agribusiness client	Agribusiness partner (same as agribusiness client, plus)		
Who can join?	Any agribusiness that aligns with the IF objectives and commits to being a pilot client via an MoU or LoI.	Any agribusiness that is developing or implementing plans to optimise field operations.		
What's in for me?	Results from design research that provide greater visibility into last mile operations. A subsidised service trial period to test the service.	Risk capital (via the lead applicant) to mitigate risks of investing in last mile digitisation. Funding to travel to and participate in GSMA Working Groups.		
What are my responsibilities?	Participate in User Experience (UX) and product design field research. Host a service pilot and share commercial data as part of a data driven product iteration process and for donor reporting purposes.	Support the lead applicant with understanding the wider agribusiness and agricultural landscape of the operating market. Support other agribusinesses understand the opportunity to digitise the last mile.		
What commitment is required?	Make staff and farmers available for UX and product design interviews. Make management available for input into product requirements. Allocate resources needed to deploy a pilot (e.g. farmer on boarding).	Participate in additional aspects of UX and product design research. Allocate a 20 per cent full time employee with clear KPIs associated with last mile digitisation. Participate in knowledge sharing activities.		







### If you are an agribusiness

Join an applicant consortium until 31 October Participate in GSMA's agribusiness profiling (9 Oct to 10 Nov)

### If you are an IF business plan applicant

Contact your MEM *now* if you need support with identifying agribusiness partners

### If you are an AgriTech

Introduce agribusiness contacts to IF applicants and the GSMA

To find out more, please contact Panos Loukos at ploukos@gsma.com



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www.gsma.com/mobilefordevelopment