

mAgri

GSMA mAgri Challenge Fund Launch Webinar

05 March 2014

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The mAgri Challenge Fund Launch

1. mAgri Programme Introduction
2. Lessons from the 1st Challenge Fund
3. mAgri Challenge Fund Launch
4. Q&A



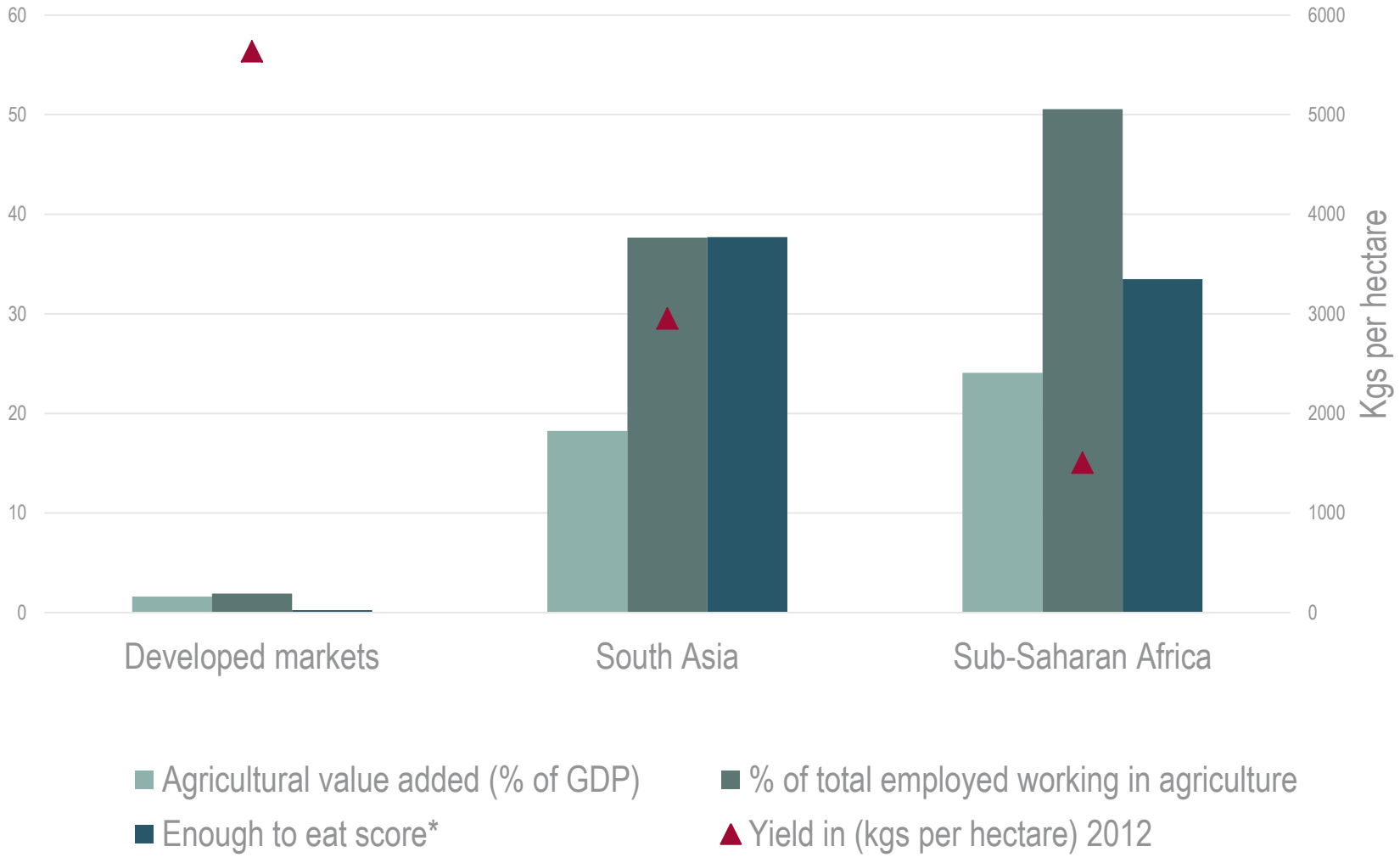
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mAgri Programme Introduction



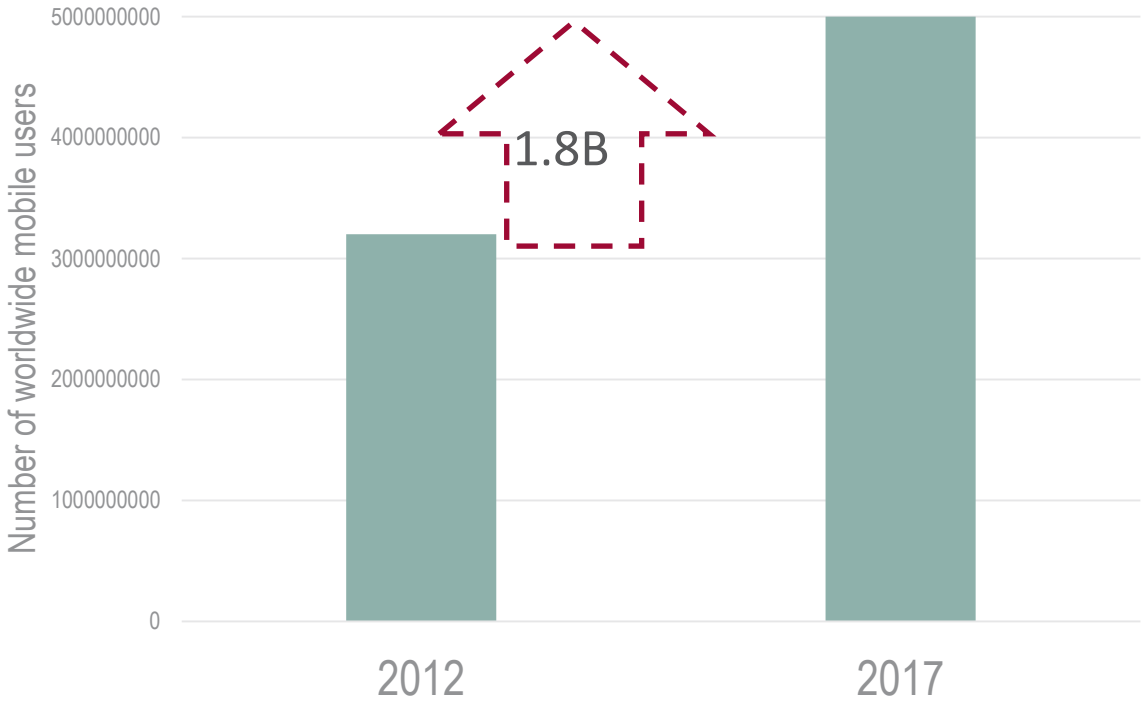
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Agriculture is the biggest sector in the markets where we operate



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The agriculture sector represents a huge industry growth opportunity



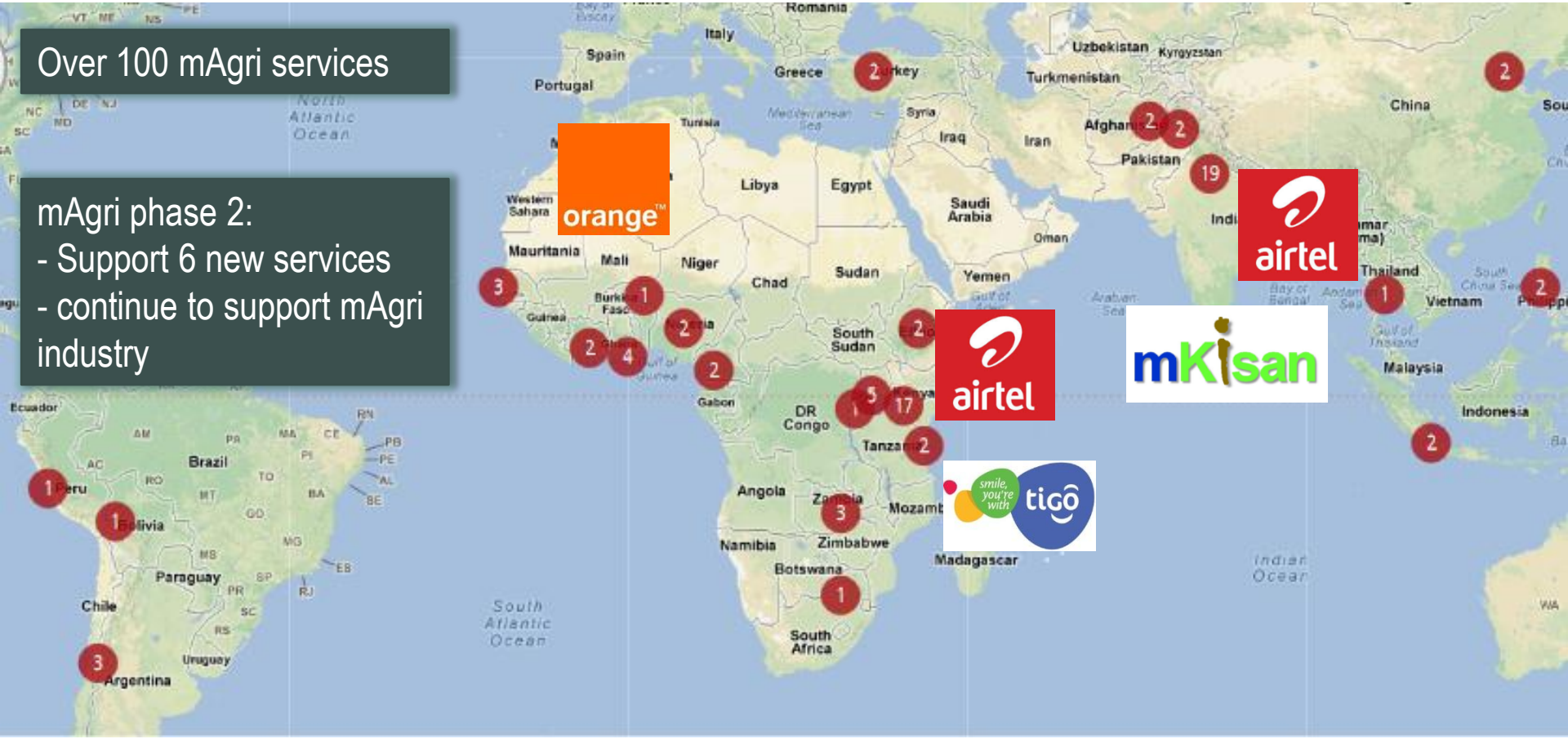
GSMAi projects that the 1.8B target audience for new subscribers by 2017 is

"mostly composed of 'unconnected' rural users in developing economies."

Source: Wireless Intelligence – Global mobile penetration – subscribers versus connections October 2012

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The mAgri industry is growing



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Lessons from first mAgri Challenge Fund



A. Broader Scope of Services
B. Demand Driven Content
C. Continuous Service Improvement
D. New Thinking on the Approach



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A. Broader Scope of Services

Key Challenges = mAgri Applications & Services

Productivity Losses

Poor knowledge of agri-inputs & nutrition, new technologies

Non-availability of prices for crops across markets

Lack of accurate weather information



Information & Advisory Services

Agriculture, livestock & nutrition services

Market prices

Weather forecast service

Supply Chain Inefficiencies

Gap in supply-demand match

Intermediaries act in silos

Poor logistics – causing wastage



Supply Chain Services

Raw materials sourcing and enhancement

Real time visibility of supplier networks

Track & trace facility of products in supply chain

Financial Exclusion

Non availability of loans, payment facilities, savings

Non availability of insurance for protection against crop failure



Mobile Financial Services for farmers

Payments enabled by m-payment facility

Availability of savings, credit products

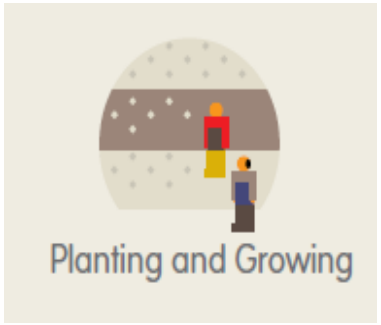
Micro insurance for crops

* Source: The Mobile Economy India 2013, GSMA

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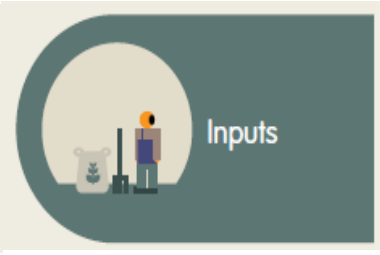
B. Demand Driven Content



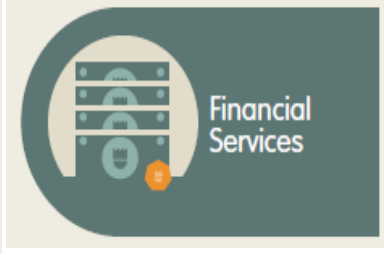


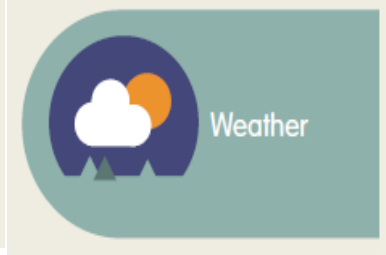


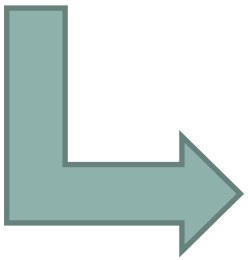












Scientifically valid AND Engaging Content



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C. Continuous Service Improvement





4. Service Maintenance

1. Consumer Insights

3. Service Re-Launch

2. Service Revisions





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D. New Thinking on the Approach

1. Innovative organizational structures
2. Non-traditional partnership models
3. Executive level mandate/alignment with broader strategy
4. Need for key investments



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mAgri Challenge Fund Introduction



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mAgri- Vision

Vision: To enhance the livelihoods of 2 million smallholder farmers in emerging markets by improving their access to **information**, **financial services** and **supply chain solutions**, delivered via mobile through commercial business models.
Enabling farmers to improve their productivity, incomes and nutritional status.



mNutrition – Partnership with UK Government (2013-2017)

mHealth

The **mHealth** programme brings together the mobile industry and health stakeholders to improve health outcomes in the ten African countries, with initial focus on Millennium Development Goals 4, 5 and 6.

mAgri

The **mAgri** programme enhances the livelihoods of smallholder farmers by improving access to information, financial services and supply chain solutions, delivered via mobile.

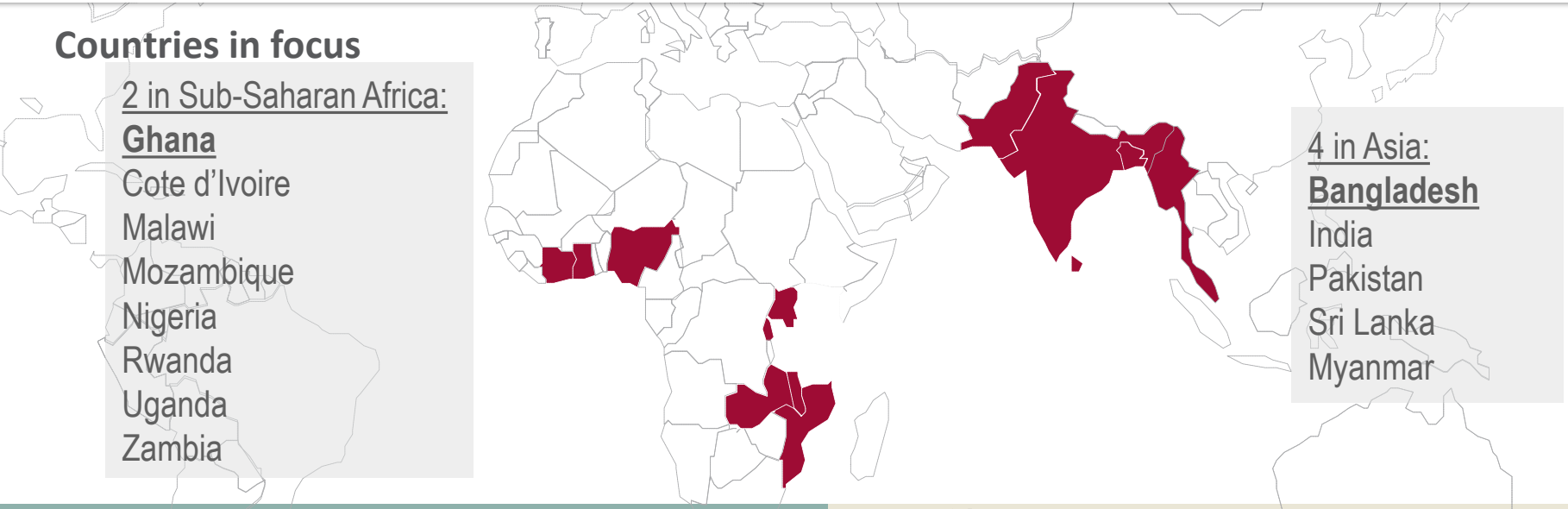
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Focus of the fund

1. The primary focus of the Fund is on **information and advisory services** for farmers that can improve **farm productivity**, **income** as well as the **nutritional status** of the household
2. To support innovative **mobile financial solutions for smallholders** that can increase the **efficiency of agriculture-related transactions**, increase farmers' access to **saving opportunities** as well as increasing access to derivative financial products such as **insurance**, **credit** and **farm equipment lease**. Must be bundled with information services.
3. The Fund seeks to support innovative mobile solutions to **improve the efficiency of agricultural value chains** as long as they are complimented with information and advisory services for smallholders

Countries in focus

2 in Sub-Saharan Africa:
Ghana
Cote d'Ivoire
Malawi
Mozambique
Nigeria
Rwanda
Uganda
Zambia



4 in Asia:
Bangladesh
India
Pakistan
Sri Lanka
Myanmar

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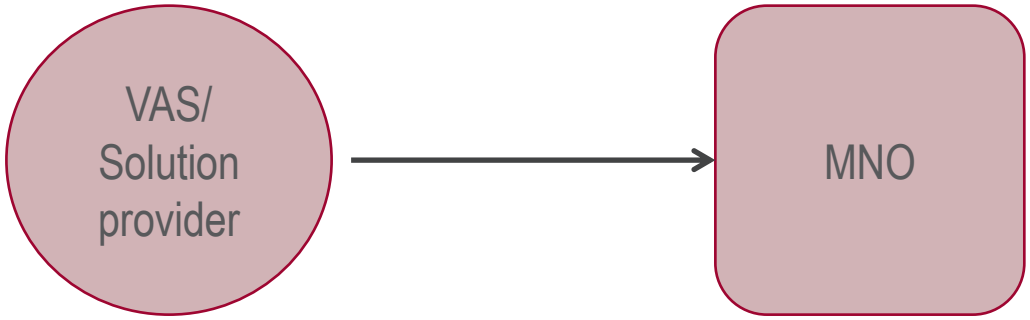
Types of information that can be included:



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Service models GSMA seeks to support

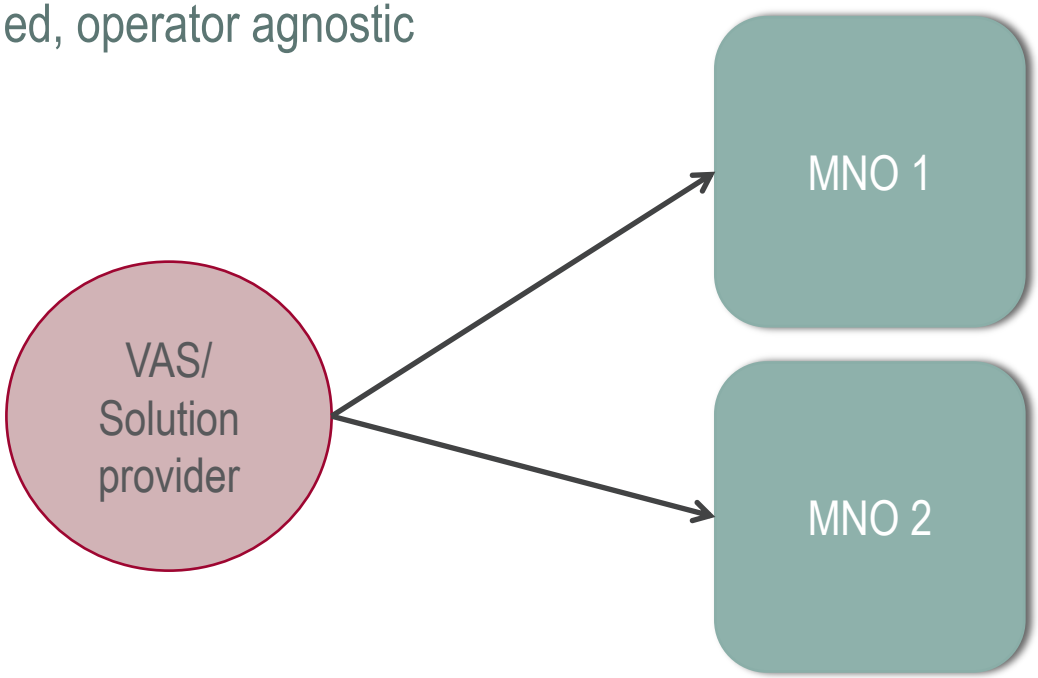
Operator led model



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Service models GSMA seeks to support

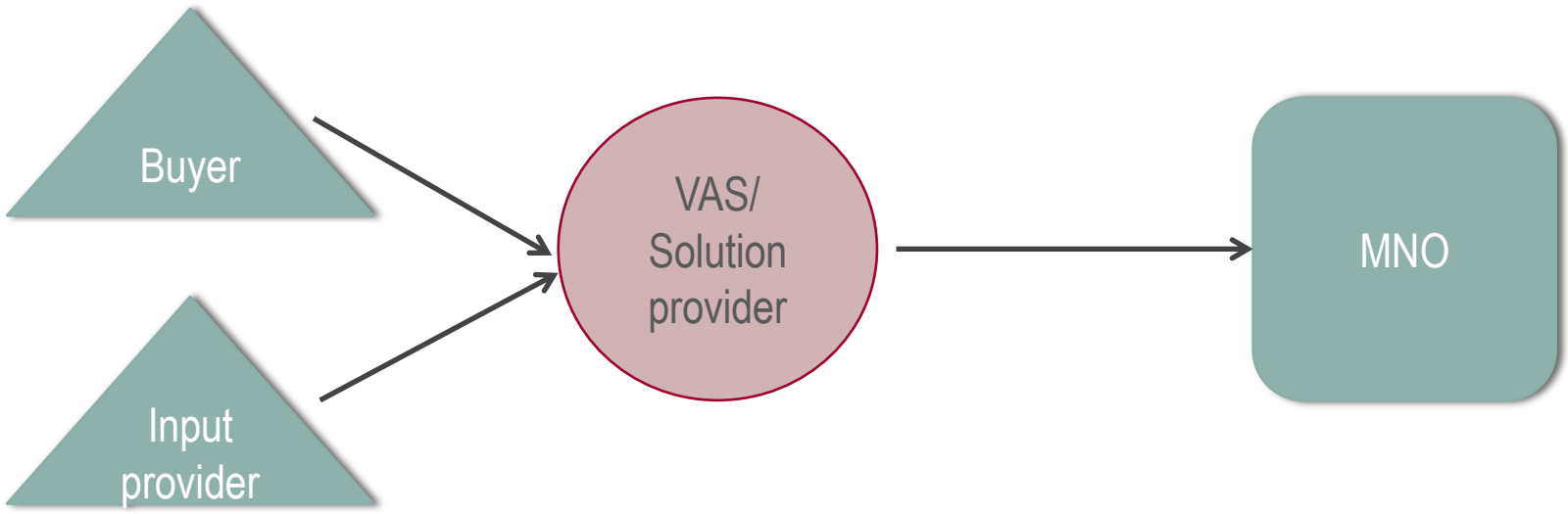
VAS led, operator agnostic



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Emerging service models GSMA seeks to support

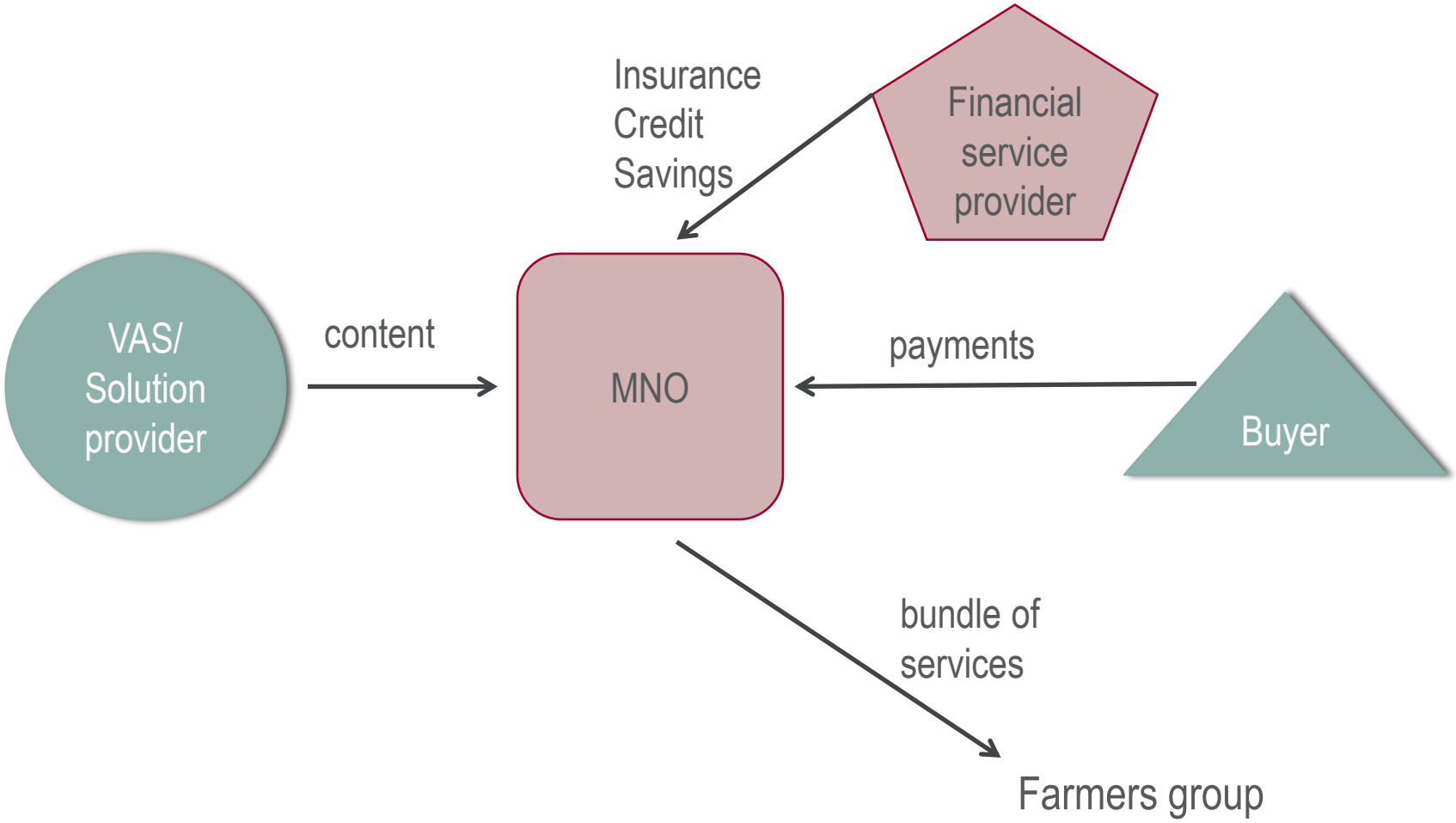
Partnership between agri produce buyers and/ or input providers and VAS provider or MNO



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Emerging service models GSMA seeks to support

Incorporating mobile financial service and information



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What is available through the Fund?

Support available for grantees

Monetary support:

- **Grant of GBP £250,000** for selected projects for 24 months duration – needs to be 100% matched
- **GBP £75,000** is available to cover the costs of a full-time expert/s in **user experience and service desig**n to join the implementation team for the duration of the project – doesn't have to be matched

Non-monetary support:

- **Service Design Support**
- **Mobile-ready Content**
- **Business Intelligence** and customer insights
- **Business Consultancy**

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Types of information that can be included:

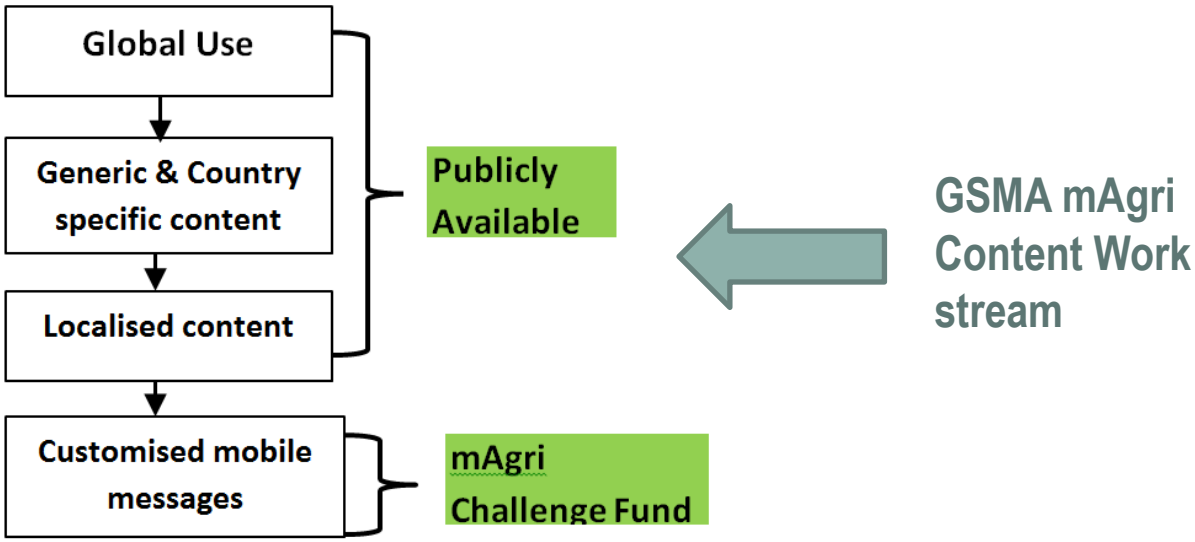
Conventional agronomy, livestock & fisheries

Nutrition Sensitive agriculture*
*must include

Market information

Weather & Climate

Financial literacy



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Service Design Support

Grantee + service design organisation work together to:

- Recruit a user experience expert for the team (funded for 2 years)
- Evaluate the concept – understand the demand
- Design the service / service addition
- Create prototypes and test with users
- Agree on actionable recommendations that fit within commercial goals
- Continuously improve the service throughout implementation period

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Business intelligence and customer insights



GSMA supports on:

- Analyzing data logs
- Cross-referencing uptake and usage with marketing activities
- Gathering insights from users via phone surveys (M&E), case-studies and interviews, participatory user-testing
- create a customer segmentation, and so help service provider understand drop off of users along the journey

Insights and recommendations on:

- Improvements to service design
- User needs and perceptions
- Marketing and distribution strategy
- Revenue generated by each customer segment
- User behavior and how to create regular user base

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Objective of the Challenge Fund

- **Support the implementation of agricultural and nutrition sensitive agricultural mobile information services at scale for poor smallholder farmers**.
- These services may be bundled with mobile financial services and mobile transaction services.
- The Fund will support projects implemented by consortia of Mobile Communications Service Providers and other relevant organisations.

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Challenge Fund Grants

- The target grant size for the Fund is **GB£250,000**
- Applicants are expected to contribute **a minimum of 50**% of the total project costs. Applicants who contribute more may be considered more attractive to the Fund.
- The Fund will support:
    - Four projects implemented in South Asia: Bangladesh, India, Myanmar, Pakistan and Sri-Lanka
    - Two projects implemented in Sub-Saharan Africa: Cote d'Ivoire, Ghana, Malawi, Mozambique, Nigeria, Rwanda, Uganda and Zambia.
- Only one project will be awarded in each country
- Particular preference will be given to projects implemented in Bangladesh and Ghana.
- An additional GB£75,000 is available from the GSMA to cover the costs of a full-time expert in user experience and service design.

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Application Procedures

2-stage application process

Stage 1: Submission of a **Concept Note** to outline the project, and demonstrate capacity to deliver, and how the project fits within wider strategy of the business owner.

Stage 2: Applicants with eligible Concept Notes will be interviewed by the Fund Manager before being invited to develop an Application setting out the detailed business case for the proposed project.

All Applications will be appraised by an **independent assessment Panel** whose decision on grant funding is final.

Eligibility Criteria

Projects must meet the following eligibility criteria:

- The Application must be **led by**
  - **a Mobile Communications Service Provider** (either a mobile network operator, or a VAS provider);
  - a **Mobile Content Provider**; or
  - a **Third Party Mobile Financial Services Provider** that works in close partnership with MNO(s)

- The lead organisation must be able to demonstrate **established working agreements with other critical consortia partners**;

- The lead organisation must be the **business-owner** of the proposed mobile agriculture solution(s) and demonstrate that mobile agriculture services form an **integral part of their business strategy**;

- The project is **using or intends to use mobile channels** to **provide affordable agricultural and nutrition-sensitive information and advice** to **poor smallholder farmers** (that may be bundled with mobile financial services and mobile transaction services);

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Eligibility Criteria

- The project will involve a **commercially sustainable business model** that will be sustainable after the period of grant funding;
- The project will demonstrate how it will provide **equitable access to women smallholder farmers and adolescent girls**;
- The project will **not easily be supported by other commercial sources of finance**;
- The project **has the support from a country level executive manager** of the lead organisation who will retain involvement in, and oversight of the project; and
- The funding provided by the Fund will be utilised **within the two year lifecycle of the Fund**.

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Organisation Eligibility Criteria

To be eligible, the lead organisation must have the following characteristics:

- Be **registered and operating in the country of project implementation** and **in compliance** with relevant business licensing, taxation, employee and other relevant regulations;
- Be the **business owner of the proposed mobile solution**;
- Be a **for-profit organisation** and in **satisfactory financial health** supported by at least one year of unqualified audited accounts;
- Have **adequate internal capacity** to implement the project within the agreed timeframe;
- Willing to **take part in the GSMA mAgri Bi-annual Working Groups**;
- Willing to **share project data with GSMA**, collaborate with the content provider selected and contracted by GSMA, and use provided M&E framework and tools and report on M&E indicators; and
- For projects implemented in Bangladesh, Ghana and Malawi, agree to **collaborate with a detailed impact evaluation.**

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Fund Management

The **Fund Manager** is an independent organisation – working to pre-defined operational procedures.

The grant awarding **Panel** is an independent panel, made up of industry specialists, social venture capitalists, and academics. The Panel awards grants against pre-defined criteria.

The **GSMA mAgri Initiative** team will continue to support applicants to develop early stage concepts, and to develop aspects of their Application, but will not manage the application process, or the grant awards.

Who do you Contact?

E-mail: mAgriFund@gsma.com

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Timelines

- First Concept Notes to be submitted by (latest): 10 April
- Applications (setting out the business case) submitted by 30 May
- Panel decision by 30 June
- 2nd round will follow starting mid-June

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Q & A

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