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

- Biodiesel was sold: 318 kL
- Clients in unelectrified area: 2,366

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

- Rice purchased from farmers: 100 t
- Clients in Pemba City: 134

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

- Provinces projects run: 1+4
- Card holders in E-voucher PJ: 24,385
Local Production and Local Consumption

**Bio Diesel**

- NBF
- Jatropha seedlings
- 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
- NBF
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
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
- Buy / Sell
- Cash in
- Cash out
- Cloud server

Farmers in villages

- NBF
- Store management

**IT & Solution**

FAO E-Voucher Project

- Agro-dealers and outlets
- Agricultural inputs
- Co-payment

Farmers in villages

- FAO
- 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
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

NBF

Information of farmers’ transaction. → Economical capacity, productivity

Productivity info

Productivity info

Consumer market’s info

Credibility info

Local economical activity info

Agricultural company

Crops buying & selling

Agricultural inputs / Crops buying & selling

Daily consumption

Retail / Wholesaler

Financial services (ex. Small loans, microfinance)

Financial institutions

Planning and practicing Projects or incentives for development

Government / Donors

Farmers in villages