

Digital financial inclusion of small-scale farmers in Togo

The Togo government, with the help of the African Development Bank, is targeting 3 million Togolese farmers - representing 70% of its total population - providing subsidies to farmers through electronic wallets provided by mobile network operators.



Togo government signs up farmers

Also on board are the mobile network operators in Togo, in supporting the cost of 107,000 SIM cards; and prefunding a communication campaign; and establishing call centres for customer support as part of their corporate social responsibility.

After its success in Liberia, the African Development Bank is supporting this digital payment project in line with its agriculture transformation agenda. 'AGRIPME' (Agri Porte Monnaie Electronique) is a joint project of the Ministry of Agriculture and the Ministry of Digital Economy in Togo aiming to provide subsidies to farmers through electronic wallets provided by mobile network operators MOOV and TOGOCEL.

To date, 76,522 out of 150,000 small-scale farmers have been identified and registered, allowing them to benefit from a US \$1.3 million subsidy to buy inputs. The Government is essentially aiming to establish a secure database of small-holder farmers, the digitalisation of input acquisition and the selection of input suppliers for fertilisers distribution.

This innovative input distribution mechanism is based on the fact that Togo is among of the lowest users of fertilisers in the world. Prior to the ongoing reform of the agricultural sector, approximately 6 kilograms of fertilisers per acre were used in Togo, against the recommended 50 kg for good agricultural performance. Key components of the project were related to

farmers' registration, wallet openings, capacity building and sensitisation, technical assistance and setting up an agricultural information system.

In a second phase of the project and to speed up results, the Government of Togo will look to leverage on the latest innovative technologies, such as geospatial mapping and biometric identification.

The long-term impact of this digital payment innovation resides in an opportunity for more than half the population to be recognised in the financial system and aspire to additional financial services and improved well-being.

The Togo e-registration of small-scale farmers is encouraging as it demonstrates the role and potential of the private sector in catalysing the agricultural production by digitally empowering a traditionally excluded portion of the population, making them more attractive to financial institutions.

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