

Financial services management for smallholder farmers in Ecuador and Peru

Context

- Smallholder farms are the single largest group of small business in developing economies.
- Capital access and financial services are provided by internal funds or within small community and family networks.

Strategy/Opportunity

- Create a secure financial platform to manage supply chain transactions, leveraging financing for receivables, payables.
- Transparency with the supply chain enables easier and more secure financing transaction, leading to financial inclusion.

Need/Challenges

- Limited data and transparency for small holder financial transactions.
- Financial services for the sector are complex and favor larger producers and processors.
- High cost of transactions among value chain create uncompetitive transaction cost.

Project and Partners

- Avenews-GT, an Israeli fintech start-up, is deploying this financial infrastructure in Africa.
- Develop a services revenue model and business plan for a supply chain financing (from processors and financial institutions) of the infrastructure itself.