



NEW \$35 MILLION COMPETITION WILL ENABLE GREATER FINANCIAL INCLUSION FOR SMALLHOLDER FARMERS IN AFRICA

Next phase in The MasterCard Foundation Fund for Rural Prosperity will expand tested financial services programs that improve the lives of financially excluded people.

Nairobi, 20th July 2015—The MasterCard Foundation today announced the opening of a US\$35 million Scaling Competition under its [Fund for Rural Prosperity](#). This is a follow up to the successful Innovation Competition held earlier this year. Both competitions, intended for financial service providers, are designed to improve the lives of at least one million smallholder farmers and people living in poverty in rural areas of Sub-Saharan African countries.

A number of challenges have prevented the financial services and agribusiness sectors from developing and scaling up the financial products and services that farmers and rural poor people need. These challenges include the high costs to traditional financial service providers of doing business in remote areas, the lack of staff know-how to design appropriate products and the fact that many farm families are unaware of the benefits they might obtain by accessing the formal financial system.

Those who make their living from agriculture, either directly or indirectly, make up two-thirds of Africa's workforce, live largely in rural areas and are among the continent's most marginalized people. Only about one percent of all commercial bank lending across the continent goes to the agricultural sector.

“We are looking to help financial service providers expand an innovative product, service or program that is currently in operation but may only reach a limited number of smallholder farmers or rural poor in Africa,” said Ann Miles, Director of Financial Inclusion at the Foundation. “Smallholder farmers – many of them women – depend on agriculture to sustain their livelihoods. We need to enable much larger numbers of people to benefit from access to formal financial products and services in order to transform their lives. This is what the Scaling Competition is all about.”

This latest initiative will focus on **Côte d'Ivoire, Ghana, Kenya, Mozambique, Senegal, Tanzania, Uganda and Zambia** to expand the most promising ideas or pilots that will foster

financial inclusion for smallholder farmers. Through this competition, the Fund expects to see changes at a scale that will positively influence the financial services environment of these countries.

The Scaling Competition comes after the Innovation Competition which closed in March 2015. The two competitions operate under the Fund for Rural Prosperity, managed in partnership with KPMG's International Development Advisory Services, Africa. Analysis of more than 400 entries in the Innovation Competition is ongoing; the announcement of the winners of up to one million dollars in support will take place on October 1st.

For the current Scaling Competition, applicants have from **July 20, 2015 to September 30, 2015** to submit proposals for expanding business products or services in the eight countries. The final selection of winning proposals is expected to be made in early 2016. Two more Innovation and Scaling Competitions under the Fund for Rural Prosperity will be held in 2016 and 2017.

More information, including application forms, guidance notes and information on eligible countries can be found on the website www.frp.org

ABOUT THE MASTERCARD FOUNDATION

The MasterCard Foundation works with visionary organizations to provide greater access to education, skills training and financial services for people living in poverty, primarily in Sub-Saharan Africa. As one of the largest, independent foundations, its work is guided by its mission to advance learning and promote financial inclusion in order to alleviate poverty. Based in Toronto, Canada, its independence was established by MasterCard when the Foundation was created in 2006. For more information, please visit www.mastercardfdn.org or follow us on Twitter @MCFoundation.

ABOUT KPMG

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