



THE MASTERCARD FOUNDATION FUND FOR RURAL PROSPERITY ANNOUNCES WINNERS OF 2015 SCALING COMPETITION AND LAUNCHES 2016 COMPETITION

Five companies receive more than US\$10.6 million to increase financial inclusion for nearly eight million poor people in rural Africa

ACCRA, GHANA, April 14, 2016—[The MasterCard Foundation Fund for Rural Prosperity](#) today awarded five companies more than US\$10.6 million to bolster their innovative work to alleviate poverty by increasing access to financial services for poor people in rural Africa. The five companies introduced imaginative thinking in their approach to scaling up financial inclusion – the increase in access to services such as mobile banking, savings accounts, insurance and credit – for the benefit of nearly eight million people in remote parts of Africa.

The Fund for Rural Prosperity also announced the opening of its 2016 Scaling Competition, a search for other companies that are working to broaden and deepen financial inclusion at scale in rural Africa.

The five firms that will receive more than US\$10.6 million under the 2015 Fund for Rural Prosperity Scaling Competition are:

- APA Insurance Ltd.
- Finserve Africa Ltd./Equitel
- M-KOPA LLC
- Musoni Kenya Ltd.
- Olam Uganda Ltd.

“There were many impressive companies that entered this competition with proposals to scale up their work and make a real difference in the financial lives of people living in poverty,” said Ann Miles, Director of Financial Inclusion & Youth Livelihoods at The MasterCard Foundation. “These five, however, displayed an innovative approach backed by a solid business proposal and a commitment to excellence that convinced us to support their efforts.”

As a result of the five awards announced today, nearly eight million people in rural areas of Kenya, Tanzania and Uganda will have access to formal financial services by 2020. Financial inclusion has been shown to improve peoples’ lives through greater access to health, education and employment opportunities.

Nick Hughes, Chief Product Officer and Co-Founder, M-KOPA, said that “M-KOPA Labs is delighted to be partnering with The MasterCard Foundation to explore new ways to deliver credit services to rural

customers and farmers in Tanzania, many of whom live beyond the grid and without access to financial services. The project with The MasterCard Foundation will be aimed at helping more low income Tanzanians to access clean energy, agricultural inputs and financial services.”

The Fund for Rural Prosperity has two competition categories:

- **Innovation:** In 2015, a total of US\$15 million was made available to support new financial products as well as savings groups, micro-insurance and other inclusive finance systems for the rural poor. Nearly US\$7 million was awarded in the first Innovation Competition last year.
- **Scaling:** In 2015, a total of US\$35 million was made available to provide financial support for promising ideas that expand services and improve financial inclusion for smallholder farmers. Initial awards totalling more than US\$10.6 are being made today in the first Scaling Competition.

The Fund for Rural Prosperity is managed by KPMG International Development Advisory Services, Africa.

About the Fund for Rural Prosperity 2016 Scaling Competition

The 2016 competition will be open from April 14th to June 10th, 2016. Applications will be accepted from anywhere in the world but must be implemented in one or more of eight countries of focus in Africa (Côte d’Ivoire, Ghana, Kenya, Mozambique, Senegal, Tanzania, Uganda and Zambia).

“Last year, we were very impressed by the quality and originality of applications received for the Fund for Rural Prosperity’s first Scaling Competition,” said Ann Miles. “This year, we expect to see proposals from companies active in financial services, including those working in fintech, insurance and along the agro-industry value chain. The goal remains the same – to enable larger numbers of people to be part of the formal financial sector in their countries.”

The majority of rural households in Africa remain financially excluded. As well, over 70 percent of families in Sub-Saharan Africa derive a large portion of their income from agricultural activities. Financial service providers meet several challenges in reaching this population. High costs of doing business, lack of staff know-how and inflexible business structures impede efforts to expand appropriate financial products and services that would enable rural poor people and smallholder farmers to become financially included. The MasterCard Foundation aims to support projects that have the potential to make a positive difference.

More information, including 2016 Scaling Competition application forms, guidance notes and details on eligible countries are on the website: www.frp.org. Suitable private sector businesses are encouraged to register and apply before the June 10, 2016 deadline.

To learn more about how The MasterCard Foundation is supporting transformation among Africa’s smallholder farmers, see the news release this week on *Catalyzing Smallholder Agricultural Finance* <http://www.mastercardfdn.org/an-inflection-point-in-the-era-of-farmer-finance-for-the-worlds-smallholders/>

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 Africa. As one of the largest, independent foundations, its work is guided by its mission to advance learning and promote financial

inclusion to alleviate poverty. Based in Toronto, Canada, its independence was established by MasterCard when the Foundation was created in 2006. For more information and to sign up for the Foundation's newsletter please visit www.mastercardfdn.org. Follow the Foundation at @MCFoundation on Twitter.

ABOUT KPMG

KPMG is a global network of professional firms providing Audit, Tax and Advisory services. We have more than 155,000 outstanding professionals working together to deliver value in 155 countries worldwide. KPMG's International Development Advisory Services, Africa ("KPMG IDAS"), is an Africa-wide department hosted by the KPMG Kenya member firm and is a global Centre of Excellence for development work on the continent. We have adopted a pan-African approach to development, employing full-time development experts complemented by a network of specialized consultants across Africa. KPMG IDAS is currently implementing some of the largest, most exciting and innovative development programmes in Africa for a variety of public and private sector clients. For more information, please visit: www.kpmg.com/das

Note: Information on the 2015 Scaling Competition winners is provided below.

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**THE MASTERCARD FOUNDATION FUND FOR RURAL PROSPERITY
2015 SCALING COMPETITION AWARDEES**

| Company | Company Description | Primary Project Country | Estimated Number of People with Lives Improved | The MasterCard Foundation Support (in US\$) |
|-------------------------------------|--|-------------------------|--|---|
| APA Insurance Ltd. | <p>Innovative weather insurance product.</p> <p>APA Insurance will offer Micro-Sure for smallholder farmers and pastoralists. The product uses satellites to measure forage levels and rainfall and determine when a claim event is triggered without the need for physical inspection. The product then pays out during the dry season so that smallholders are compensated for lost crops or are able to purchase feed for animals. The product is distributed through partnerships with financial and microfinance institutions (MFIs) as well as through APA branches and agents. Being able to offer insurance encourages MFIs to offer credit and other financial services, enabling rural populations to improve their overall resilience to risks and shocks.</p> | Kenya | 3,500,000 | \$2,500,000 |
| Finserve Africa Ltd./Equitel | <p>Comprehensive agricultural financial services.</p> <p>Equitel is a new telco- banking convergence platform currently helping 1.2 million Kenyans manage their money, lives and communications. As a Mobile Virtual Network Operator, it enables rural dwellers and smallholder farmers to perform all financial transactions, make calls, send SMS messages and browse the internet, and access information on markets, prices and agronomy, as well as lifestyle topics such as maternal health, education, entrepreneurship, etc. This project will scale Equitel usage from its 10 million customers today to 100 million by 2024 in 15 Sub-Saharan African countries.</p> | Kenya | 3,400,000 | \$2,500,000 |

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|--------------------------|---|----------|---------|-------------|
| M-KOPA LLC | Scaling agricultural finance through an alternative sector. M-KOPA's innovative technical solution utilizes mobile connectivity and smart data to open a line of credit for underserved rural customers. M-KOPA will provide more than 300,000 customers in rural Tanzania (by June 2020) with innovative credit services that are affordable and accessible, and which address rural customers' most pressing needs. The agri-input product will enable smallholder farmers to purchase valuable inputs including seeds and fertilizer. M-KOPA's service improves customers' liquidity and allows investment in new assets that directly support increased productivity, profitability and resilience. | Tanzania | 718,929 | \$2,500,000 |
| Musoni Kenya Ltd. | An innovative microfinance institution expands agricultural finance. Musoni Kenya will scale the Kilimo Booster loan product. Kilimo Booster is a 100% mobile-based loan product delivered through tablets and a digital field application, with customized, flexible terms. It helps smallholders in diverse value chains diversify their enterprises, expand existing farms and venture into new farming activities. Following a successful pilot of the product, Musoni Kenya will scale this product to locations across the country. The Fund for Rural Prosperity will support Musoni in the commercialization of the product, helping to raise market awareness and demand, training staff/clients on Kilimo Booster, and providing technical and business process support. | Kenya | 56,881 | \$1,500,000 |
| Olam Uganda Ltd. | Digitizing agricultural payments to offer credit at scale. Olam International Limited, one of the world's leading agribusinesses, aims to scale up its coffee farm gate procurement supply chain in Uganda from the current 8,000 to 20,000 households. This project will offer interest-free loans and extension services (training in tree replacement, planting, shading, pruning, weed control, etc.) to smallholders who sell to Olam. The project will improve yields and incomes through better access to financing, training in good agricultural practices, mobile | Uganda | 70,500 | \$1,663,634 |

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| | communications and payments, producer organizational development and additional value-added services. The project will enable Olam to secure a supply of high-quality Ugandan coffee by building trusting, long-term relationships with farmers while optimizing operations. | | | |
| TOTAL | | | 7,746,310 | \$10,663,634 |