

2022-11 | Enhancing agricultural cooperatives and rural economies with digital management and finance

Financial sector partner (FSP)	Association of Women in Agriculture Kenya (AWAK)	SCBF contribution	CHF 120,434 (37.5%)
Grantee/TA provider	Hiveonline	Matching contribution	CHF 14'406 (4%) – AWAK CHF 67'373 (21%) – Hiveonline
Country	Kenya	Theme	Agriculture
Duration	September 2022 – February 2024	Product	Digital accounting and farmer management platform
Potential outreach	40,000	Target group	Smallholder farmers
Thereof women	32,000 (80%)		

CONTEXT

In Kenya, women smallholder farmers earn half as much as their male counterparts. Many struggle to evolve from subsistence to commercial farming because of a lack of capital. They are disproportionately excluded from the digital economy because they lack formal records and cannot afford the high cost of e-payments. Banks target larger farms for agri-loans, making them inaccessible to women smallholders. Cooperatives can help women farmers access finance and commercialise their production, but can be administratively challenging for women due to their low financial and functional literacy.

AWAK has been helping women to form cooperatives, commercialise their farming activities, learn agroforestry and vertical farming techniques to maximise the use of small plots. Hiveonline's myCoop.online platform helps women to establish cooperatives without cumbersome paper ledgers and accounts, while building up a robust, indelible history of transactions, commercial activities in cash and digital payments. It simplifies cooperative formation, while providing farmers an avenue to access formal group lending solutions.

CURRENT STATUS OF THE FSP

Hiveonline is a sustainable digital finance platform designed to help smallholder farmers overcome the digital divide. It brings those that are financially excluded into the digital economy and boosts agricultural productivity through collectivism, as well as access to markets, inputs and finance. Hiveonline is active in Kenya, Mozambique, and Zambia among other countries. **AWAK** is a national organisation building capacity of women in the agricultural sector to become informed decision-makers and key industry players. AWAK has a presence in 47 counties in Kenya and focuses on four key areas: productivity (capacity around production, climate resilience); value addition; market linkage and financial inclusion; and advocacy.

SCBF's support will enable AWAK and Hiveonline to establish and digitise cooperatives with 40,000 member farmers in Kenya, of whom 80% are women. This project will also enable building strong relationships with local financial institutions, towards establishing a sustainable business model based on commission for third party lending to the farmers' cooperatives using Hiveonline.

OBJECTIVES AND MAIN ACTIVITIES

The project will digitise the cooperatives, integrate solutions to track agroforestry and carbon neutral behaviours, and create linkages with the financial system. This will enable 40,000 smallholders (80% women) to access the digital economy and the agricultural ecosystem via their cooperatives through the hiveonline myCoop.online platform. The team will also continuously enhance the platform to make sure it is fit-for-purpose for the cooperatives and their members. Upon project completion, AWAK and hiveonline will be able to facilitate access to formal lending for 10,000 smallholders.

Partnering with:

