myAgro Quarterly Report | FY 2016 Q4
April – June 2016

myAgro is thrilled that over 18,000 farmers received inputs for the 2016-planting season. Seventy-two percent of farmers who originally enrolled successfully saved up for a package, compared to 65% in FY15. Of the total farmers, 60% are women. In addition to providing financial and agricultural trainings on a weekly basis via field agents, myAgro’s agents are also busy working with a larger number of women in savings groups this year. The organization’s pilot partnerships with Stromme Foundation and Oxfam America are proving that the savings group platform is a powerful tool to helping farmers complete their layaway goals and increase their investments in their farms. Most importantly, Q4 at myAgro is a race toward input delivery. myAgro field agents and logisticians have completed the biggest delivery week yet delivering over 450 tons of seeds and fertilizer. Looking ahead, the forecasts for an average but late rainy season has given myAgro’s field team some extra time to focus on providing additional trainings to both field agents and farmers. This will ensure that when the rains start, 18,000 farmers will be ready to plant with myAgro’s improved planting methods.

Program Dashboard

<table>
<thead>
<tr>
<th>Metric</th>
<th>FY 14 Actual</th>
<th>FY 15 Actual</th>
<th>FY 16 Goals</th>
<th>FY 16 Actual</th>
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<tbody>
<tr>
<td>Scale: Farmers Served</td>
<td>3,500 +</td>
<td>10,000</td>
<td>15,000</td>
<td>● 18,000</td>
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<td>Scale: myAgro Team</td>
<td>90</td>
<td>180</td>
<td>205</td>
<td>● 210</td>
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<td>Scale: Vendors</td>
<td>70</td>
<td>226</td>
<td>309</td>
<td>● 315</td>
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<td>Impact: % Harvest Increase</td>
<td>50 – 100%</td>
<td>50 – 100%</td>
<td>50 – 100%</td>
<td>TBD</td>
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<tr>
<td>Field Sustainability %</td>
<td>30%</td>
<td>29%</td>
<td>43%</td>
<td>● 40%</td>
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Program Timeline

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<th>Activity</th>
<th>Jul</th>
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<th>Oct</th>
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<th>Jan</th>
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**myAgro’s Model**

myAgro’s goal is a more just world for smallholder farmers, who have the tools to save rather than borrow their way out of poverty. Through myAgro’s mobile layaway model, farmers in Mali and Senegal use their mobile phone to make small payments toward seed, fertilizer, and technical training in advance of the rainy season. These investments allow farmers to produce 50-100% more food each year. Currently, myAgro farmers earn an additional $75-$350 per farm. A mobile layaway-led model widens financial inclusion to all farmers who want to invest in their farm to increase their productivity, including women, risk-averse or non-creditworthy farmers.

Over the past five years, myAgro has developed an effective, replicable program model that is becoming increasingly cost-efficient. Each district has a hierarchy of Field Coordinators, Supervisors, Agents, and Vendors who work with farmers. Improvement of the trainings, materials, and systems that support the field teams has driven down the field cost of service delivery from $200/farmer in 2012 to around $60/farmer in 2015. Forty percent of field costs are currently covered by field revenue. Continued improvements in all of these areas will push the cost per farmer down further and drive myAgro to 100% field sustainability by 2021.

**Core Program Update**

**Payment Progress**
For FY16, over 17,051 farmers successfully completed their layaway payments and received agricultural inputs from myAgro Core Program and an additional 1,300 planted via myAgro’s Savings Groups model. In the Core Program, 72% of farmers who originally enrolled were able to successfully save for a package, compared to 65% in FY15. myAgro believes that this 7% increase in payment rates above the previous season is the result of better reporting, which enabled field agents to target and mobilize farmers earlier and more frequently. Other activities that affected payments positively
was a focus on leveraging group leaders to encourage payments, more frequent vendor trainings and additional payment deadlines spaced throughout the year to match when farmer liquidity is highest to help prioritize paying for fertilizer and seed packages.

2% of myAgro farmers joined the “Large Farmer” program, which will be rebranded next year to the “4-Ton Club”. These farmers saved on average $320 and contributed close to 30% of myAgro’s total revenue. These farmers are influential leaders in the village who de-risk the program for farmers with limited cash and significant risk-aversion. In fact, based on farmer surveys, myAgro estimates that each large farmer enrolled brings in an additional 40 farmers who are further down-market. In addition over 200 farmers purchased the myAgro planter which cuts planting labor-days by more than half and increases uptake of micro-dosing method (small amounts of seeds and fertilizer inserted and spaced correctly) which research institutes, such as ICRISAT has proven doubles yields. One farmer, who is also a myAgro vendor in Mali, explained that he planted his fields with the planter, and rented it out to 15 people who paid $20-$30 per day to use the planter. He explained proudly that he has already recovered his investment in the $280-machine in labor savings and rental fees. Next year, he hopes to buy another planter purely to rent out to myAgro farmers.

**Delivery of 450 Metric Tons to 18,000 Farmers**

June was particularly busy for myAgro as the organization delivered long-awaited seed and fertilizer to over 18,000 farmers over the course of a week in early June. Farmers welcomed the arrival of their packages with big smiles, thankful that they can plant when the rainy season begins. myAgro attributes the successful distribution to two key factors: 1) an increasingly experienced team of logisticians who planned everything from bagging of inputs to truck delivery routes; and 2) Instituting pre-delivery certifications and using mobile applications to manage the delivery process to ensure smooth delivery and managing stocks in real time and 3) myAgro’s layaway platform, which tracks the amount of seed and fertilizer owed to each farmer so that each truck carries the proper amount of inputs to each delivery site.

**Area for Improvement**

About 7% of farmers had an error in their account up from 2% last year at the time of delivery. The errors occurred most often from myAgro not receiving a single SMS for a $1 or $2 payment (for example someone who expects to receive a $50 package may only be recorded in our platform as paying $49). This rare case occurs due to network issues, or a simple keystroke error. Often these are caught through the roving field audit team that audits vendors and their remaining stock of cards and payments made to myAgro. This problem isn’t unique to myAgro: mobile money services, financial institutions and companies all face similar problems: a 2014 Ernst and Young study confirms 29% of companies globally experienced an error with their primary bank. For individual banking customers in Europe or the US, these errors are common too – it can take anywhere from a day to months to fix a simple mistake of typing a wrong number into an electronic payment. For myAgro this year, the problems were quickly resolved during delivery by performing a just-in-time audit and the concerned farmers received their inputs the same
day as everyone else. Looking ahead, myAgro would like to lower the account errors to <5% to reduce delivery time for farmers. myAgro has hired a former KfW Senior Risk Manager who will manage the audit team and develop training and processes to integrate the audit, field, finance and IT team’s work to address issues quickly to reduce these small account errors in the future.

Increasing Farmer Impact & Diversifying Diets
After conducting farmer and field surveys, myAgro decided to bundle okra and peanuts together as a package for all peanut farmers in Mali. This combination works because culturally, farmers often plant peanuts and okra in the same field (it’s a pairing that is often eaten together too). Okra can be planted directly in the soil and requires relatively less labor than other vegetable crops which need to be planted as seedlings first and then transplanted. myAgro conducted early trials of improved seed varieties and simplified the okra planting trainings for easier adoption. This new bundle is estimated to increase impact for farmers by an additional 40% per peanut and okra package ($87 of increased net income per 1/8 hectares from peanuts + $75 projected from okra earnings). 8000-plus farmers will earn increased income and have a more diverse diet thanks to this change. This move to increase the ROI of peanut packages was especially attractive for female farmers who farm small plots and must maximize the profitability of their limited farms.

R&D

Partnership Updates
In Q3, myAgro entered into two new partnerships with Stromme Foundation and Oxfam America to test the mobile layaway platform with existing savings groups in Mali and Senegal that these organizations coordinate. Oxfam and Stromme feel myAgro’s model will encourage and help their clients to invest in their farms, further leveraging their savings. Initial results of the partnership are extremely positive with 550 farmers enrolled as part of the Stromme pilot, and 800 farmers through Oxfam (200 in Senegal and ~600 in Mali). From Q4, myAgro has found that additional results and benefits include:
- Farmer acquisition/mobilization costs are four times lower than myAgro’s core program;
- Customer density (a key budget driver) increased by 30% in each village; and
- Number of farmers per agent increased by 20%.

Organization and Finance

Finance & Fundraising
Over the course of this financial year, myAgro brought in $4.5 million towards both FY 16 and future years. myAgro also brought in $533,000 in earned revenue slightly shy of the $575,000 goal set earlier this year. The majority of the philanthropic support came from multi-year grants and renewals, setting myAgro on a strong fundraising path for FY17 and beyond. For FY17, myAgro has secured $1.8 million in committed funding to date and is projecting another $1.8 million in renewals. Major awards from this quarter include:
- $225,000 from Global Innovation Fund, funded by USAID, DFID, SIDA AusAid and Omidyar. myAgro is proud to be GIF’s first agricultural award.
- $150,000 from USAID Development in Ventures
- $75,000 from Godley Family Foundation
- $45,000 from Stromme Foundation
- $25,000 from Conservation, Food and Health Foundation
“My daughter, my Agent”

myAgro’s model is successful because of its industrious network of field agents and vendors who work to serve myAgro farmers as best as they can. Farmers value the field agents’ respect for them, the agents’ hard work, innovation and commitment to increasing farmers’ revenue. Tening Diop is 24 years old and left her village Touba Toul in Senegal to search for work in the capital, Dakar. The myAgro team is lucky she returned – this year she joined myAgro as a field agent and is the top performing field agent in Senegal. A whopping 96% of her 303 farmers completed their packages with her guidance; in one village 100% of the 135 farmers who enrolled completed their packages.

Her secret? For the first few months she focused on building a solid rapport with her farmers focused on learning about their family, their goals and what motivated them. This was evident as every farmer we met on a recent field visit, held her hand and explained that Tening is “their daughter” who only wanted the best for them.

Farba Gueye, a retired driver and now farmer, was inspirational when he described how much Tening has done for him over the past year. He told us that myAgro helped him have a great harvest last year, and Tening worked with him to double his agricultural package of seeds and fertilizer this year. “She’s my daughter, my agent,” he said.

Tening explained that after building a relationship with the farmers, she would ask them if she could call their older children, often working in large cities, to “sponsor” the parents and contribute to their myAgro layaway accounts. She’d use her payment report to explain to the farmers’ sons and daughters what percent of the parents’ goal has been completed to date and that the parents needed support to complete paying before the deadline.

This innovation will be scaled across myAgro by asking farmers to share their “sponsor” and phone number at time of enrollment. Adult children who leave home often send money to their parents in the village for fertilizer and seed but fertilizer and seed may not be available on the local market. With myAgro, farmers and their children can be assured of getting quality seed, fertilizer, training and on-time delivery before the rains arrive.

What’s Tening’s goal for next season? She plans to double the number of farmers enrolled and help her current farmers plant more land. Great work Tening!