



myAGRO

A woman with a warm smile is the central figure, wearing a black and white geometric patterned headscarf and a matching dress with a large floral or spiral pattern. She is surrounded by tall, green grain stalks, likely sorghum, under a bright, slightly cloudy sky. A semi-transparent green banner with a leaf pattern is positioned at the bottom, containing the title text.

MYAGRO 2018 ANNUAL REPORT



myAgro Annual Report

2018

WE BELIEVE FARMERS CAN FINANCE THEMSELVES.





ABOUT MYAGRO

myAgro is pioneering a mobile layaway model that enables farmers to invest their own funds in high-quality seed, fertilizer, tools and agricultural training to significantly increase their harvests and income. myAgro's 3-tiered approach of mobile layaway, input delivery, and training has scaled from 240 farmers in 2012 to 47,000 farmers in 2018.

Through myAgro, farmers increase their harvests and income by 50-100% on average, resulting in more food and income to pay family expenses. For a family living on less than \$2 per day, this not only alleviates food insecurity, it truly transforms their lives.



myAgro's North Star is to work with one million smallholder farmers – supporting 10 million family members – in 2025 to increase their income by \$1.50 per farmer per day to move out of poverty.

THE GLOBAL CHALLENGE

Smallholder farmers make up 80% of the world's poorest people. Essentially, these farmers have a cash flow problem. Farmers have the highest amount of income at harvest time, but their greatest need for cash is months later at planting time when their cash is depleted. Without enough money at just the right time, farmers are unable to invest in quality seeds and fertilizer, resulting in low harvests and trapping them in a cycle of poverty.

Worldwide, the annual need for smallholder financing is \$450 billion, and the most common approach to financial services is micro-credit. However, credit is difficult to scale and often cannot reach the most rural

farmers. As a result, most farmers have no access to banks and little access to microcredit.

Even if farmers were to have enough cash at the right time, many do not have access to quality seeds and fertilizer, as suppliers do not view them as a viable market. Without the necessary inputs, farmers do not grow enough food, leaving their families food insecure for several months of the year.

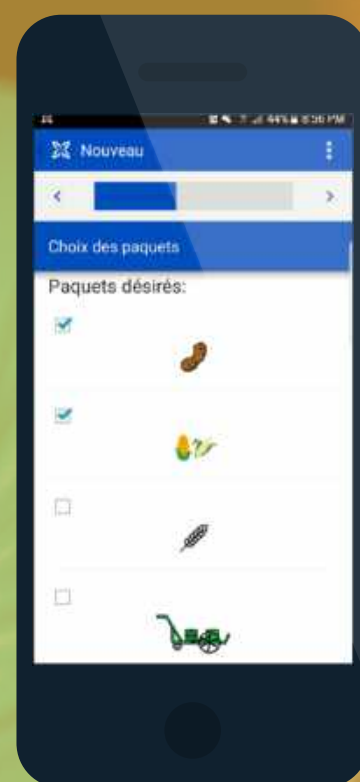
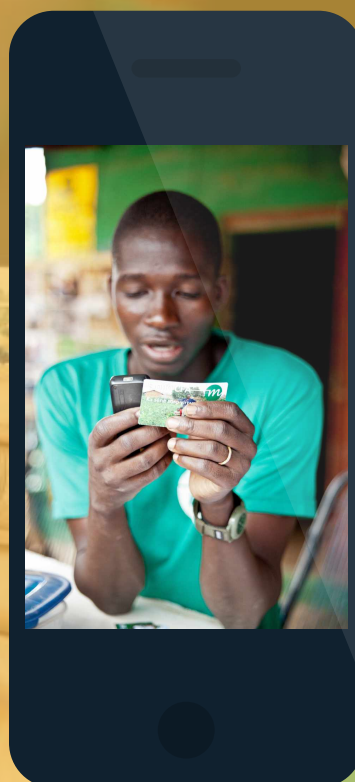


Over 1.6 billion smallholder farmers lack access to financial institutions. Just 3% of the need is currently met.

MYAGRO'S DIGITAL FINANCIAL SOLUTION

myAgro uses mobile technology to help farmers invest in their biggest asset - their farm - each season, at a fraction of the cost it would take a microfinance institution to serve the same customer. After selecting the package of agricultural inputs they would like to purchase, farmers pay little by little, in advance, with their mobile phone.

Low-literacy design - myAgro's smart phone apps enable myAgro's commission-based village entrepreneurs (VEs) to market and sell myAgro packages in their village. The picture-based design and phone-based trainings allow VEs with limited literacy to enroll farmers, while earning a meaningful income and serving a larger group of farmers at a low cost.





FARMER STORY - FATOU FAYE, MOTHER OF 7

Fatou is the president of her women's savings group in Thiadiaye, Senegal, and a hard-working mother of seven. Fatou's husband passed away in 2006, and since then Fatou has supported her children on her own. "Every day is a struggle now that I'm the one caring for my family," she says. "As a widow, it's hard to do farming activities, but I'm doing my best."

Last year, Fatou and the other women in her savings group decided to enroll with myAgro. Together, they put away money in small increments to pay for a package of peanut fertilizer and hibiscus. "The layaway system is easier because it's too difficult to have a lot of money all at once," says Fatou, "It's well-organized, and you just pay what you can."

Fatou is pleased to have experienced the myAgro difference in her harvest yields, which enables her to better support her family. "In the past, it was very hard to pay for everything my family needs—school fees, school materials, food. But now with my bigger harvest, I am able to pay by selling my seeds," she says.

LETTER FROM ANUSHKA

Dear friends,

This year was all about scale! myAgro worked with 47,000 farmers in 2018, increasing their harvest yields by an average of 50-100%, and net farm income by an additional USD 110. We have come a long way since we launched myAgro in 2012 with 240 farmers.

In 2018, we also created over 800 job opportunities for rural youth in Senegal and Mali and we expanded our operations to a third country; Tanzania, where we piloted a fully digital payment platform which will serve 2,000 farmers in 2019 in the Mtwara region.

Anticipating the effects of climate change, such as the unpredictable rain patterns in West Africa, myAgro has been providing farmers access to climate-smart crops and drought-resistant seeds varieties, like sorghum and millet, both of which myAgro scaled up in 2018.

We're very thankful to our ever-expanding team (which includes a solid layer of talented middle and senior managers), our farmers and our partners for myAgro's growth to date.

We hope you enjoy our update and join our mission in 2019.

In gratitude,



LETTER FROM ANUSHKA

Anushka



2018 IN NUMBERS



47,000 farmers

Maize



1,628 hectares planted

Peanuts



5,452 hectares planted



16,000 tons of food
grown

Sorghum



2,100 hectares planted

Vegetables



167 hectares planted



of myAgro farmers
are women



\$110 average net income
per farmer



organizational financial
sustainability



2018 HIGHLIGHTS



Planting with 47,000 farmers in 3 countries

In 2018, myAgro worked with 47,000 farmers (of which 60% are female farmers) in Senegal, Mali and Tanzania, increasing their harvest yields by an average of 50-100%, and net farm income by an additional \$110. Our 2018 numbers represents 56% customer growth from 2017.



Creating job opportunities for 800+ youth

Working with myAgro prevents young people from leaving their homes and migrating to the city. myAgro recruits Field Agents and commission-based Village Entrepreneurs from within the villages where we work to act as marketing and distribution points for myAgro and mobile layaway points for farmers.



Expanding to a third country

Leveraging Tanzania's widespread usage of mobile money, myAgro piloted a fully digital payment platform which served 437 farmers in the Mtwara region. After the pilot phase, this model can be scaled to 200,000 farmers and reach 100% financial sustainability within five years.



Building climate resilience for farmers

myAgro provides farmers access to climate-smart crops and drought-resistant seeds varieties, like sorghum and millet, both of which myAgro scaled up in 2018. By planting climate-resilient seeds and micro-dosing fertilizer, myAgro farmers regularly increase their harvests by 50-100%, despite unpredictable rainfall patterns and drought.



In 2018, myAgro field team consisted of 283 Field Agents and 856 VE's, of which 55% were younger than 36 years old. Oumy is a young mother and one of myAgro's 390 village entrepreneurs in Senegal. "I now earn 30,000 CFA per month (\$50) for doing a part-time job. In the morning I mobilize farmers to do their payments, and in the afternoon I sell frozen products from my fridge, which I was able to pay for myself, using the salary I earned with myAgro."

2018 HIGHLIGHTS



Testing new seed varieties

myAgro's agricultural team tested new varieties of hybrid maize, millet, sorghum, rice, various vegetables and fruits, as well as peanuts, maize and sunflower on a new test field in Tanzania.

As a result of these tests, in 2019 myAgro will implement several changes in package offerings that will lead to greater yields and more income for farmers.

In the Casamance zones of Senegal for example, myAgro has decided to offer rice and okra, and will add more vegetable products.

Planting with 5,000 sorghum farmers in Mali

M'famara Diallo is a farmer and a father of twelve living in Niena, Mali. With climate change creating unpredictable weather patterns, he needs a nutritious crop that he can rely on.

"Whenever there's a drought, the village is struck with famine, so we're forced to buy food with all of the revenue that we've saved," he explains. "That makes the poverty in the village even worse."

This year, Diallo joined myAgro and planted 1/4 hectare of sorghum.

"Sorghum is resistant to climate change, so with a good sorghum harvest, I can meet my family's needs during a drought," Diallo says.



2018 HIGHLIGHTS



Female-focused design

myAgro works to understand the specific challenges women face and tailors solutions to their needs. For example, in Senegal agricultural tools are traditionally owned by men. In response, myAgro trialed a precision planter rental program with 5,000 female farmers, so that they can access a planting machine during the few weeks that they need it, without having to make the large upfront investment of purchasing a machine themselves.

"I am delighted to have a good harvest this year because I will finally be able to pay my children's school fees and afford their school materials," says Oumy, a female farmer in Senegal.



Media Highlight: myAgro featured in Gates Notes

myAgro is excited and honored to have been featured in Gates Notes, the personal blog of Bill Gates. In his blog, entitled "**How mobile phones are helping farmers grow bigger harvests**," Gates highlights myAgro as an innovative organization with a creative solution to helping farmers afford high-quality seeds and fertilizer.

gates
notes

"The thing that impresses me most about myAgro is their ability to develop trust with their customers. If you've never used a bank before, handing your money over to someone else requires a huge leap of faith. myAgro has put a lot of time and energy into building trust, and the results show. They've done it in part by giving their customers a clear view into their accounts. You can use your phone to check your balance at any time. When you reach your goal, you get a text congratulating you, and the system automatically triggers a delivery....I'm inspired by the innovative ideas coming out of companies like myAgro, and I can't wait to see what other brilliant minds come up with in the future." - Bill Gates

CLOSER LOOK - FOCUS ON NUTRITION

Bundling in vegetables

To encourage farmers to invest in vegetables, myAgro bundled vegetables into farmers' staple crop packages in Mali and offered a small vegetable packet add on in Senegal. Growing vegetables and fruits is a strategic investment for farmers. A farmer's small \$7 investment can generate over \$75 in income (10X return!), while also improving nutrition for themselves and their families.

In the 2019 season, all myAgro farmers will have a vegetable package, which myAgro estimates will increase impact by 40% on average.

Nutrition trainings

In 2018, myAgro scaled a set of nutrition trainings to farmers and their families in Mali, and executed a children's deworming initiative in conjunction with Bayer and the Ministries of Health in Mali and Senegal that reached 140,000 children.

In addition to being a proven, low-cost method of reducing malnutrition, the trainings and deworming go a long way to building trust with myAgro farmers. In previous trials, payments increased by 10% in villages that received nutrition training versus villages that didn't.

"Thanks to myAgro's nutrition trainings, I now know that it is important to vary the food we eat," says farmer Mafili, after a nutrition session in Mali.

"It will help me and my children to maintain good health. If I had known all the beneficial effects of okra, I would have eaten this more," she adds.



CLOSER LOOK - YOUTH EMPLOYMENT

This year, a major focus for myAgro was fully implementing its Village Entrepreneur (VE) model. In this model, VEs take over some of the responsibilities previously managed by field agents. Equipped with mobile phones, village-based VE's can now market myAgro, enroll farmers and facilitate payments.

myAgro implemented this model in Senegal in 2018, and transitioned the Mali program to the VE model in the second half of 2018 in preparation for the 2019 agricultural season.

Mali and Senegal have two of the youngest populations in the world with median ages of 15 and 19 respectively. With the VE model, myAgro is able to provide employment opportunities for more rural youth and train them in entrepreneurial and business management skills.



Village
Entrepreneurs



under the age
of 26



under the age
of 36

"I am very happy to be here and to work for the betterment of my village. I feel more respected and it makes me very proud. This work allowed me to develop my relationship with the people of the village and to get to know them better."

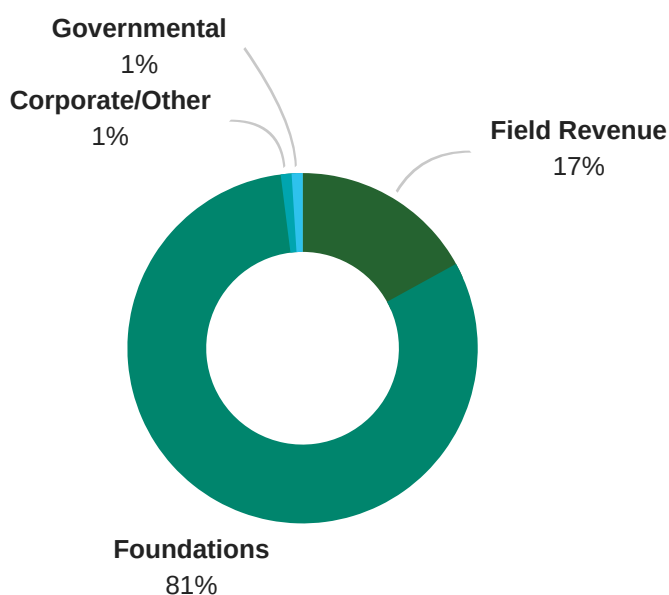
- Fadima Berthé, Village Entrepreneur in Mali



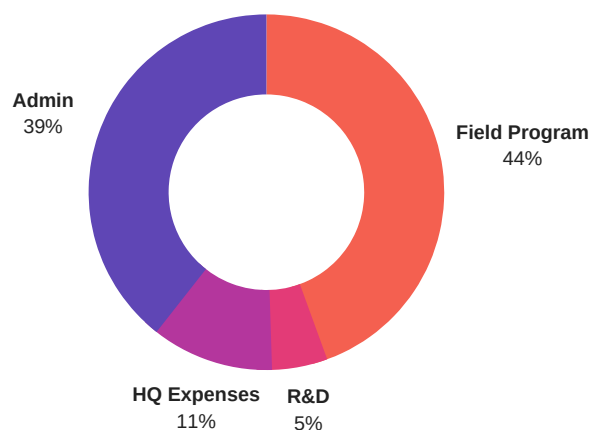
FINANCIALS

myAgro's financial performance in 2018 put the organization in a strong position to continue scaling. myAgro exceeded the fundraising target of \$9.4 million by diversifying our sources of philanthropic revenue, and acquired its second working capital loan of \$500,000, which enabled myAgro to bulk purchase seed and fertilizer at a lower cost.

INCOME



EXPENSES

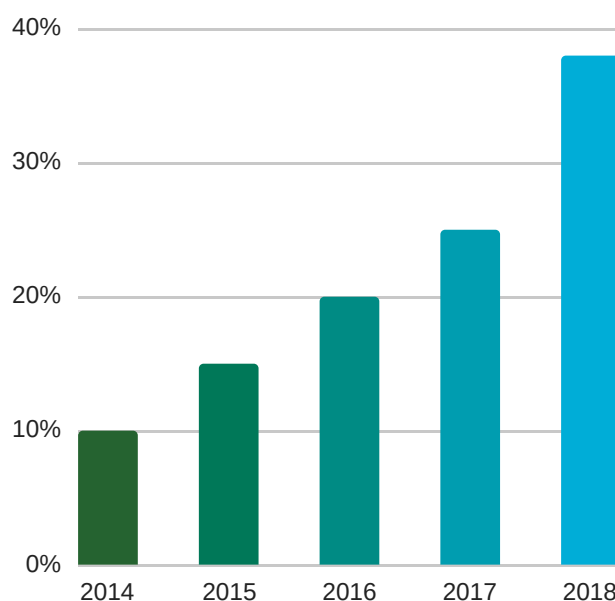


PATHWAY TO FINANCIAL FIELD SUSTAINABILITY

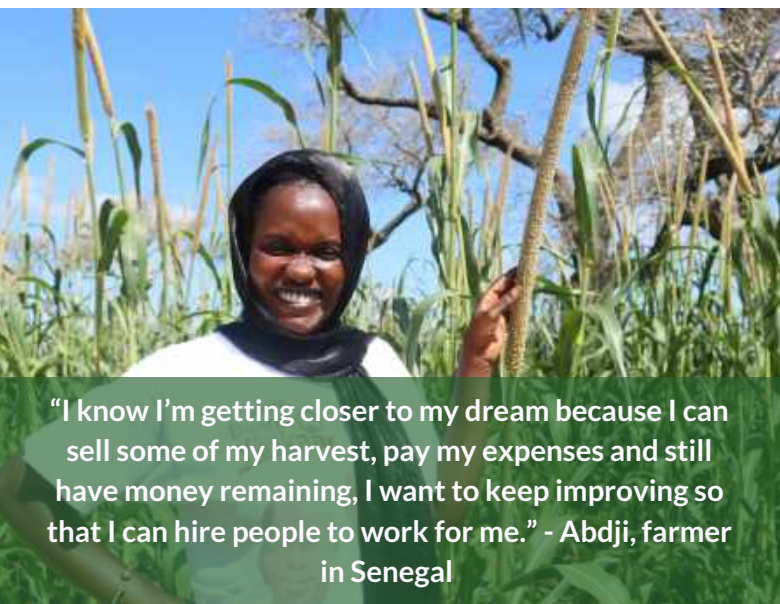
Improving the trainings, materials, and systems that support the field teams have driven down myAgro's field cost from \$200/farmer in 2012 to \$52/farmer in 2018. Continued improvements in these areas will drive myAgro to 100% field sustainability, by 2023.

In 2018, myAgro reached 38% field sustainability by:

- Increasing the number of farmers each field staff member can serve (Field Agent-Village Entrepreneur/Farmer ratio)
- Leveraging savings groups networks
- Increasing overall layaway/farmer



VOICES FROM THE FIELD





LOOKING FORWARD: 2019

OUR PLANS FOR 2019



Scaling to 70,000 farmers

myAgro will grow by almost 50% to reach a total of 70,000 farmers across its three countries of operation. To do this, myAgro will fully integrate the Village Entrepreneur model into its three countries and expand partnership with women's savings groups.



Increase average additional farmer income to \$150

myAgro will invest in research and development of new products and packages to generate a higher ROI for farmers. This includes adding higher yield maize and millet varieties and bundling in vegetables into cereal packages in Senegal and Mali.



Codify operations and prepare for increasing farmer density

myAgro will focus heavily on codifying best practices and improving knowledge management to increase efficiency. myAgro will create a "myAgro in a box" - all the processes and tools developed over eight years of operations in West Africa - to facilitate rapid growth in new geographies and to increase farmer density in the areas myAgro already works.



Fundraise \$30 million for the next three years

myAgro will diversify funding sources to include more multilateral and governmental donors and look for more multi-year grants in order to better predict funding needs and manage cash flow.

"By creating "myAgro in a box" - which includes all the processes and tools developed over eight years of operations in West Africa, we can facilitate rapid growth in new geographies.

**Anushka Ratnayake, CEO
& Founder**



THANK YOU FOR YOUR COLLABORATION!

For the past three years, myAgro has successfully partnered with Catholic Relief Services, Aga Khan Foundation and the Stromme Foundation to scale through their networks of saving groups. As a result of these partnerships, in 2018, almost 50% of myAgro's clients were part of a saving group! By using these networks, myAgro reduced its farmer acquisition costs by 66% compared to its regular marketing process. For saving group members, purchasing a myAgro package generates a four-fold return on investment.

"CRS Senegal is convinced of the effectiveness of [myAgro's] model. Cost benefit analyses have shown that the myAgro model allows these farmers to pay less, harvest higher yields, and optimize their current conditions (amount of land/amount of rain) to leverage better results for themselves and their families." - Nickie Sene, Head of Programs, Catholic Relief Services - Senegal





KfW

MyAgro is co-financed by
the Federal Republic of
Germany through KfW.



CONTACT US

200 Broadway, 3rd Floor
New York, NY 10271
development@myagro.org