

Driving Financial Inclusion in Agriculture in Myanmar: Experiences from Three Pilots



Just over a quarter of adults in Myanmar have an account at a financial institution, significantly below the average of **70.6%** for East Asia & the Pacific.¹



With **seven out of ten** workers employed in agriculture², the limited reach of formal financial services has potential negative drag on agricultural efficiency and productivity due to, amongst other things, costly and/or insufficient credit, and the time and cost required to travel to financial institutions.³

Within this context, FHI 360 and USAID's Global Development Lab, in conjunction with USAID/Burma, have distributed small grants to three technology companies running digital agriculture services with the aim of enabling them to integrate digital financial services (DFS) into their platforms. Each of these has the potential to positively impact agricultural development outcomes, should they succeed at scale. While their integration of DFS are still in the early stages, this infographic provides a snapshot of how these grants are helping to move the needle when it comes to financial inclusion in the agriculture sector in Myanmar.



Village Link's Htwet Toe mobile application provides farmers with customized up-to-date, data-driven advice. Through this grant, Village Link has incorporated a feature into their app allowing farmers to make loan repayments to Maha Agriculture Public Co., Ltd, a microfinance company, directly from their phones.

Potential benefit: Making access to formal credit easier for farmers and more cost effective for financial institutions by reducing need for collection officers to make multiple visits and reducing the risk of cash management.

“Customers can avoid the case which they forget to come to the branch for repayment while they are busy, especially for those who are running a shop. Thus, customers can fully focus on their business improvements and productivity.”

- Thin Ei Ei Soe, Maha Agriculture Microfinance



TUN YAT

Tun Yat is an agri-tech company that rents affordable, high-quality farming machines using a booking app that connects machine owners to farmers. As part of the grant, Tun Yat integrated mobile payments into their platform, thereby enabling farmers to easily pay for equipment rentals using a mobile wallet.

Potential benefit: Time and money saved from no longer having to travel to pay for their booking means that farmers have more time to focus on income earning activities—or other things that matter to them.

“[Mobile money] is easy to use. I can transfer money from my house and then can save on costs like traveling and fuel costs... I will pay for my next Tun Yat payment using the Wave Money app from my mobile phone.”

- Ma Ei Thet Mon, smallholder farmer

DIGITAL TRANSACTIONS MADE DURING THE PILOTS



689 farmers



MMK 32,668,896



Greenovator is an agriculture technology social enterprise in Myanmar that launched the Green Way app to serve rural farming communities with a variety of agricultural information and services, including a question and answer forum, daily market prices, localized weather, and more. Greenovator has integrated mobile payments into their application to enable farmers to easily pay for membership fees for agricultural associations, starting with the Myanmar Tea Association.

Potential benefit: Significantly reducing the burden on agricultural associations to manage membership fees, as well as making it easier for farmers to join associations that support more efficient value chain development.

DISCLAIMER: This document is made possible by the generous support of the American people through the United States Agency for International Development (USAID). The views expressed here do not necessarily reflect the views of the U.S. Agency for International Development or the U.S. Government.

¹ <https://globalindex.worldbank.org/sites/globalindex/files/countrybook/Myanmar.pdf>
² <http://www.fao.org/myanmar/fao-in-myanmar/myanmar/en/>

³ <https://www.marketlinks.org/library/supporting-digital-financial-services-myanmar-assessment-potential-digital-financial-service>