The United Nations’ Better Than Cash Alliance members are governments, companies, and international organizations committed to accelerate the transition from cash to responsible digital payments to help achieve the Sustainable Development Goals.

The challenges of financial exclusion in rural areas:

1. Access to basic financial services
   - The vast majority of payments in the agriculture sector worldwide is still done in cash. Around 145 million unbanked people in emerging countries received cash for agricultural products in 2021, 65 million of them women.

2. Climate resilience
   - Almost 90% of the agricultural workforce is based in rural areas, many of which face extreme climate change vulnerability. This requires adaptation opportunities and protection from associated risks, including food security.

3. Gender equality
   - Women make up 43% of the total agricultural labor force globally, are more vulnerable to impacts of climate change and yet have less access to financial services, ID, technology, and face legal barriers to land ownership.

Digitizing supply chain payments can boost financial inclusion and climate resilience, acting as a gateway to vital financial services for farmers. This can enhance food security and climate change adaptation, while promoting financial equality for women and youth farmers.

Our approach: driving scale by working with both governments and companies

- Engaging private sector companies by partnering with industry associations to leverage commitments at a sector level.
- Alignment with our member governments’ agendas, and providing technical advisory services based on their priorities.
- Fostering public-private collaboration to tackle ecosystem challenges.
- Scale the work to other value chains and countries based on lessons learned. For example, from Ghana’s cocoa sector to cocoa in Indonesia and coffee in Ethiopia.
Financial inclusion for cocoa farmers in Ghana and Indonesia

Ghana

In partnership with Alliance member the World Cocoa Foundation, and its licensed buying companies (LBCs), the Government of Ghana has promoted digital payments for a sustainable value chain since 2018. The Alliance is now scaling this work with Ghana Cocoa Board (Cocobod), making responsible digital payments part of its Cocoa Management Systems (CMS) to digitize the cocoa sector for 800,000 farmer households, prioritizing women farmers.

- A pilot on the CMS payment platform with over 2,000 farmers, LBCs, mobile money and financial technology providers, including:
  - Sensitization sessions for farmers and staff from financial service providers (FSPs), Cocobod and LBCs.
  - Onboarding LBCs and FSPs to embed the UN Principles for Responsible Digital Payments into the pilot.
  - Begin to scale digital payments, building on lessons from the pilot district to the rest of the cocoa growing regions.

Indonesia

Using building blocks from Ghana, the Alliance Secretariat is working with the Government, the Cocoa Sustainability Partnership and the Partnership for Indonesia’s Sustainable Agriculture, focusing on women farmers in Sulawesi, home to more than 200,000 cocoa farmers.

Research on harnessing economic activities for women in cocoa, will be launched in 2024, with actions to address demand and supply-side challenges for payments digitization, including exploring new avenues such as e-commerce.

Driving responsible digitization of payments in the tea sectors of Rwanda and Malawi

The Alliance Secretariat facilitated exchanges with tea producers, FSPs, and government regulators in tea, coffee and cocoa from Africa and Central America, and the African Continental Free Trade Area (AfCFTA) Secretariat, leading to various commitments and follow-up initiatives, e.g. in Malawi and Ethiopia.

Rwanda

Launch of a joint assessment with Alliance member Ethical Tea Partnership on the value proposition for responsibly digitizing payments in Rwanda’s tea sector. Strengthening rural digital payments ecosystems is in line with the government’s cashless agenda.

Additionally, advisory support is being provided to the Ethical Tea Partnership and Rwanda’s National Agricultural Export Development Board (NAEDB) in implementing research recommendations for the tea and coffee sectors in Rwanda. With a workforce of over 750,000 people, this effort has the potential to impact the entire agricultural sector, benefiting more than 3.8 million farmers, including 2.1 million women.

Malawi

Together with ETP and Tea Association of Malawi (TAML): Ecosystem assessment and pilot digital payments in Malawi’s tea sector. There are around 100,000 tea farmers and worker in Malawi.

Increasing women farmers’ financial equality and climate resilience through payments digitization in the coffee value chains in Ethiopia and Guatemala

Ethiopia

Ethiopia is the largest producer of coffee in Africa, employing more than 4 million smallholder farmers. Adaptation to climate change is a key challenge for these farmers.

As part of the National Digital Payments Strategy implementation, the Alliance Secretariat is partnering with the government to advance responsible digital payments in the coffee sector, and advocating for women farmers to be prioritized.

- Digitization pilot with Ethiopia Tea & Coffee Authority and Oromia Coffee Farmers Cooperative Union to provide better income opportunities for millions of farmers.
- The Ethiopia Women in Coffee Association has committed to embedding digital payments into their programming, including partnering in future pilots to advance women’s digital financial inclusion.

Guatemala

Sectors such as coffee, which employs around 90,000 people directly, are working on becoming more climate resilient. Smallholder farmers are the most impacted, losing on average 55% of their production during droughts and floods.

Together with Anacafé, the National Coffee Association, the Alliance Secretariat is working on payment digitization in the coffee sector and financial inclusion of coffee farmers, prioritizing women.