



# ssnup

Smallholder Safety Net  
Upscaling Programme

## DIGITAL DISTRIBUTION CHANNELS OF FINANCIAL SERVICES FOR SMALLHOLDER FARMERS IN DR CONGO



Africa



Latin America



Asia



Financial services



Non-financial services



Market building



Internal management

### CONTEXT

With 80 million hectares of arable land, 4 million hectares of irrigated land, and many rivers with important fishery resources, the Democratic Republic of the Congo (DRC) has the potential to become a global agricultural power. Although the agricultural sector employs over 60 per cent of Congolese and contributes to 19.7 per cent of GDP, it has not yet been able to ensure food security and generate sufficient revenues and sustainable employment for the country.

### CURRENT STATUS OF THE INVESTEE

PAIDEK is a tier-3 microfinance institution created in 1993 by SOS Faim. The institution is registered as a limited company and supervised by the Central Bank of Congo. Its mission is "to contribute to the strengthening of the economic fabric and the dynamisation of the popular economy in the Democratic Republic of Congo in general and in Kivu (North Kivu, South Kivu and Maniema) in particular, by facilitating access to financial and non-financial services for the underserved and those excluded from the traditional banking system through the establishment of a professional and sustainable financial instrument". The institution has a network of 9 branches and 88 employees.

### OBJECTIVE OF THE PROJECT

PAIDEK operates mainly in urban areas (83% of its active clients in March 2022). Despite its desire to target more customers in rural areas and operating in the agricultural sector, PAIDEK is experiencing difficulties due to the remoteness of the target areas from its branches, making it difficult to reach its target and posing security issues related to cash transfers.

The objective of this project is to conduct a strategic study to identify the best IT solutions for the digitalisation of the delivery of financial services (phase 1) and then to test and implement these solutions (phase 2) to increase outreach to rural areas, gain operational efficiencies and improve the management of risks associated with cash handling.

The main outcome of this project is to increase 25% the number of farmers among the active borrowers at the end of the project and double it one year after, representing 1,410 farmers in total.

### IMPACT INVESTOR



### AGGREGATOR / INVESTEE

PAIDEK (MFI) – Democratic Republic of the Congo

### TARGETED N° OF FARMERS

880 farmers

### AGRICULTURAL VALUE CHAIN

Not limited to a specific AVC

### STARTING DATE

October 2022

### DURATION

18 months (phases 1 + 2)

### TOTAL TA BUDGET

€ 40,000 (phase 1)  
Including € 36,000 (90%)  
contribution from SSNUP



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