



RÉPUBLIQUE TOGOLAISE



Tuesday, 28 July 2020

PRESS RELEASE

YOLIM – a digital, interest-free loan programme launched for Togolese farmers

Lomé (Togo), 28 July 2020 – The Togolese Government is announcing the launch of "YOLIM", a digital, interest-free loan programme for farmers in the West African nation. Under the programme, the State, in partnership with banks and telecoms operators Togocom and Moov Togo, is extending credit to small-holder farmers towards the cost of quality inputs (seeds, fertilisers, pesticides, inoculum) and renting modern farm machinery.

"YOLIM" (meaning rains and sowing season in local language) enhances farmers' digital and financial inclusion by granting them instant access to credit remotely, from a simple mobile phone using USSD technology.

The loan, worth 96,000 CFA Francs (\approx 146 Euros), is paid directly into the farmer's mobile wallet in the form of an electronic voucher called YOLIM. The farmer, using the USSD code *820#, can immediately use YOLIM to purchase fertiliser, seeds, and pesticides from partner stores.

Likewise, thanks to a partnership between the State and VAYA TROTRO, YOLIM beneficiaries can dial the USSD code *824# and use their YOLIM credit to rent tractors on a "pay-as-you-go" basis by the hour or for days at a time.

For a farmer to participate in the YOLIM programme, he or she must cultivate high-value cash crops and food crops, be affiliated to a licensed and approved crop aggregator, hold a valid voter's card, and possess a mobile phone number. As the enterprise that purchases the bulk of the farmer's produce, the aggregator is the guarantor of the farmer's YOLIM loan and thus reimburses the loan on their behalf, at harvest time.

So far, 57,483 farmers have already registered for the YOLIM programme—amounting to 5.5 billion CFA Francs (\approx 8.4M Euros) in loans immediately made available. Moreover, seventeen (17) licensed aggregators have been approved and 209 stores nationwide are partners under the programme. The Ministry of Agriculture, Animal Production and Fisheries, and the Ministry of Economy and Finance are leading the farmer enrolment process as well as approval procedures for additional licensed aggregators to join the programme which aims to reach 256,000 agrarian households.

In Togo, nearly 60% of the working population are farmers. H.E. President Faure Essozimna Gnassingbé has pledged to transform the agricultural sector by making it the second pillar of the 2018-2022 National Development Plan (NDP).

"Since 2016, the Ministry of Digital Economy has supported the Ministry of Agriculture in various projects by employing digital tools aimed at helping farmers to improve their productivity and quality of produce for better yields and higher incomes. By providing farmers with digital credit, the YOLIM programme is a decisive step in the integration of small-holder farmers into the national agricultural value chain."—stated Cina Lawson, Minister of Posts, Digital Economy and Technological Innovation.

Noël Bataka, Minister of Agriculture, Animal Production and Fisheries, remarked that *"Access to credit is a major obstacle for small-holder farmers. Owing to the seasonality of their activities, these major players in the agricultural value chain require recurring cash flows to fulfil their financial needs. Many of them need money for inputs and other things during the sowing season. However, their income is often insufficient to repay these loans due to the limited investment they can make with the limited resources they have. The YOLIM programme therefore provides a practical solution to this problem by providing them with an interest-free loan that is repayable only at harvest time. YOLIM thus intervenes to support the farming population to enable them to improve their yields and consequently their income through an efficient agricultural system in these tough times with COVID-19"*

For more information: <http://yolim.gouv.tg>

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