A Blended Financial Education Model for Smallholder Farmers in Zambia

SCBF FEW-33 **Report Date: Mar 2026**

Project Summary

Financial sector partner(s)	ACRE Africa Agora Microfinance	Project duration	Jul 2024 – Jan 2026
Grantee / TA provider	Sustainable Agriculture Foundation - Africa	Targeted segment	Smallholder Farmers
Country of implementation	Zambia	Targeted outreach	80,000
Product / Solution	Financial Literacy (Input-Linked Index Insurance)	Instrument type	Technical assistance grant

1. Executive Summary

Smallholder farmers drive Zambia's agricultural sector but remain underserved by formal financial services and financial capability initiatives, leaving them vulnerable to climate shocks, seasonal income volatility, and limited access to savings, credit, and agricultural insurance. Financial literacy gaps limit farmers' ability to plan finances, manage risk, and invest in productive activities, despite national efforts under the Bank of Zambia's National Strategy on Financial Education II to strengthen financial inclusion. This Financial Education project aimed to improve financial capability and promote informed use of financial services among low-income farmers. The project implemented a three-phase blended financial education campaign combining digital training through the Viamo Interactive Voice Response (IVR) platform with face-to-face engagement delivered by Camp Extension Officers and Agora Microfinance Zambia staff, supported by ACRE Africa's insurance expertise. Training covered budgeting, savings, responsible borrowing, cash flow management, and climate risk insurance, with content translated into local languages and aligned with agricultural seasons. The intervention targeted low-income smallholder farmers across Zambia, particularly those dependent on rain-fed agriculture and vulnerable to climate shocks. Through combined digital and in-person delivery, the project reached an estimated 122,053 people, including 69,053 farmers trained directly and over 53,000+ farmers engaged through digital channels. Women represented 36,468 participants (38%), while youth under 35 accounted for 42% of participants. The campaign led to 18,641 farmers expressing interest in agricultural insurance, 40,543 adopting financial products such as savings and credit, and 25,899 improving climate-smart risk assessment practices. Additionally, 41,596 farmers reported improved wellbeing and farm investment decisions, demonstrating strengthened financial capability and resilience.

2. Context

Smallholder farmers drive Zambia's agricultural sector yet remain underserved by formal financial services. These farmers operate in unpredictable conditions - marked by irregular seasonal incomes and the growing pressures of climate variability – making it difficult to plan, manage risk, or invest in improving their yields. Limited financial literacy further narrows their options, hindering meaningful access and use of savings accounts, credit, and agricultural insurance. As a result, households are left exposed to shocks such as drought, crop failure, and volatile market prices, any of which can quickly push families deeper into poverty.

Zambia's financial sector has increasingly recognized the importance of financial education as a key enabler of broader financial inclusion. The Bank of Zambia's National Strategy on Financial Education II (NSFE II 2019–2024)[1] prioritizes strengthening financial capability among groups traditionally left behind - including smallholder farmers, women, and youth. The strategy promotes responsible use of financial services, improved savings behaviour, and more informed borrowing decisions, all in service of wider financial sector development goals centered on expanding access to inclusive financial products and improving the resilience of rural households. Notably, recent policy direction has drawn explicit connections between financial education and climate resilience,

[1] https://www.boz.zm/Zambia_NSFE_II_2019_24.pdf

agriculture, and MSME development - reflecting Zambia’s economic structure and its considerable exposure to climate-related risks.

Despite these policy commitments, significant gaps remain. Data from FinScope Zambia 2020[2] reveals that financial inclusion among adults working in agriculture stands at 64.4% - notably lower than the 73.5% recorded among non-agricultural adults – underscoring the persistent disparities in rural access to financial services. The same research highlights that smallholder farmers lean heavily on informal financial mechanisms, such as savings groups, family support networks, and out-grower arrangements, while formal channels such as banks, microfinance institutions, and insurance providers remains underutilized. Interestingly, 59.8% of farmers report actively saving – a rate that actually exceeds the 56.1% observed among non-farmers – driven primarily by the need to cover routine or unexpected expenses. This suggests that the motivation to save exists; what is lacking is a meaningful bridge to formal financial products and services.

The regulatory environment in Zambia presents both opportunities and challenges for financial inclusion initiatives. The Bank of Zambia and other regulators have supported the development of inclusive financial services, including digital financial services, microfinance, and agricultural insurance. However, regulatory complexity, limited awareness of new financial products among rural populations, and the high cost of last-mile service delivery continue to slow the penetration of formal financial services in rural areas. Agricultural insurance, for example, remains relatively underutilized despite growing climate risks and government efforts to promote climate-smart agriculture.

Existing financial education programmes - delivered through schools, NGOs, microfinance institutions, extension services, and donor-funded initiatives – tend to be fragmented, small-scale, short-term, or poorly linked to actual financial products. As a result, farmers continue to rely on informal borrowing, selling of assets, or cutting back on consumption during shocks rather than turning to formal financial risk management tools. The market opportunity is nonetheless substantial, but reaching dispersed rural communities at scale requires more than good intentions - it demands deliberate investment in technology, strong relationships with trusted local partners, and delivery models that blend multiple channels and approaches.

SCBF´s support enabled testing delivery approaches combining digital outreach through Viamo and direct field engagement by Camp Extension Officers and Agora Microfinance Zambia staff, supported by insurance expertise from ACRE Africa. By blending these channels, the model addressed both the cost and accessibility barriers that so often limit reach in rural settings, while ensuring the content remained practical, locally relevant, and closely tied to the real financial decisions farmers navigate. The programme helped bridge the divide between financial education, financial services, and agricultural risk management – laying the foundation for more resilient farming households and greater adoption of formal financial tools.

3. Partnership Model

Agora´s operational coverage

The financial sector partners included Agora Microfinance Zambia and ACRE Africa, working in close collaboration under the coordination of the Sustainable Agriculture Foundation – Africa (SAF-A) to deliver inclusive financial and risk management solutions to smallholder farmers and micro-entrepreneurs.

Sustainable Agriculture Foundation - Africa (SAF-A) is a non-profit organisation that fosters innovation, empowers agri-entrepreneurs, and bridges gaps in research, technology, and market access. SAF-A implements programs in Kenya, Tanzania, Zambia, and Sudan and its key streams of focus are: a) Agri Entrepreneurship Development (First Mile Access / Last Mile Delivery): Bridging the “first mile” between farmers and access to advice, markets, inputs, tech, and finance; b)

[2] https://www.boz.zm/FinScope-2020-Survey-Report.pdf

Strengthening Climate Resilience with Agricultural Insurance and Financial Solutions: Providing climate resilience and financial tools, empowering smallholder farmers in Africa to secure livelihoods and improve productivity, and c) Seed Systems Development: Catalysing access to and adoption by smallholder farmers of climate-smart, nutrient-dense and market-preferred high-quality seed varieties of underutilised and adapted crops. SAF-A played a central role in the FEW Project by providing overall programme oversight, strategic direction, and coordination of implementing partners, ensuring alignment with project objectives and quality delivery across all components.

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Covered Countries : Sudan, Kenya, Tanzania, Zambia and Malawi.

Agora Microfinance Zambia is a regulated microfinance institution and part of the broader Agora Group an international network with Swiss roots serving clients through an expanding footprint of branches and community access points across Zambia. ACRE Africa is an international social enterprise specialising in innovative, index-based agricultural insurance, with operations across several African countries and a growing portfolio of insured smallholder farmers. Both institutions primarily focus on rural and agricultural markets, contributing to inclusive growth and improved farmer resilience.

Agora's operations in Zambia

The partners share a common vision of strengthening financial inclusion and farmer livelihoods through accessible and sustainable financial and insurance services. Agora Microfinance's mission is to empower smallholder farmers and micro-entrepreneurs through tailored savings, credit, and structured financial education, while ACRE Africa focuses on enabling farmers to manage climate and production risks through practical and affordable insurance solutions. Roles within the FEW Project were clearly defined: Agora Microfinance led financial literacy delivery, farmer mobilisation, and outreach through its established branch and community networks; ACRE Africa provided specialist expertise in insurance education and risk-mitigation training; and SAF-A ensured effective programme coordination, partner alignment, and overall project quality assurance. Backed by Swiss and international partners, this collaboration expanded farmers' access to appropriate financial services, built financial capability, and drove greater uptake of risk management products ultimately strengthening the resilience of participating smallholder households.

4. Programme Design

The solution took the form of a blended, three-phase financial education campaign designed to equip smallholder farmers with the skills to manage climate risk and engage more confidently with formal financial services. Practical modules covered farm planning, savings, credit, cash flow, and agricultural insurance — with content deliberately anchored in farmers' everyday realities - including drought, flooding, and crop loss. Education was provided free of charge, and direct linkages to existing credit and insurance products ensured farmers could translate learning into action.

Delivery combined digital training via the Viamo IVR platform with targeted face-to-face engagement from trusted Camp Extension Officers (Ministry of Agriculture), Agora Microfinance Zambia field staff operating through a Trainer of Trainer (ToT) model, and technical input from ACRE Africa. Content was also translated into local languages to improve accessibility and accommodate varying literacy levels. This blended mechanism addressed the challenge of geographic dispersion without sacrificing personal interaction and community trust. Digital channels extended reach cost-effectively, while in-person sessions enabled clarification of complex concepts for low-literacy audiences.

SCBF enabled curriculum development, the Trainer of Trainers model, digital campaign deployment, stakeholder coordination, and monitoring and evaluation systems. Key innovations included IVR-based learning adapted for low-literacy users, simplified messaging aligned with seasonal farming cycles, and coordinated delivery across public extension services, microfinance, and insurance actors.

Gender inclusion was woven into the programme´s design through delivery in local languages, community-based facilitators trusted by women farmers, and participatory, non-text-heavy methods. Scheduling was also deliberately aligned with agricultural and household responsibilities to reduce barriers and improve women's participation.

Financial education activities were directed at two audiences: low-income farming communities and the frontline staff serving them. Extension officers and field staff were trained to deliver consistent, simplified content and reinforce product linkages. The programme was designed with identified barriers in mind - low literacy, reliance on informal financial mechanisms, and the unpredictability of seasonal incomes – responding through blended delivery, simplified messaging, and scheduling aligned with agricultural calendars. The results is a model with genuine potential for scale and long-term sustainability.

5. Results, outcomes and impact

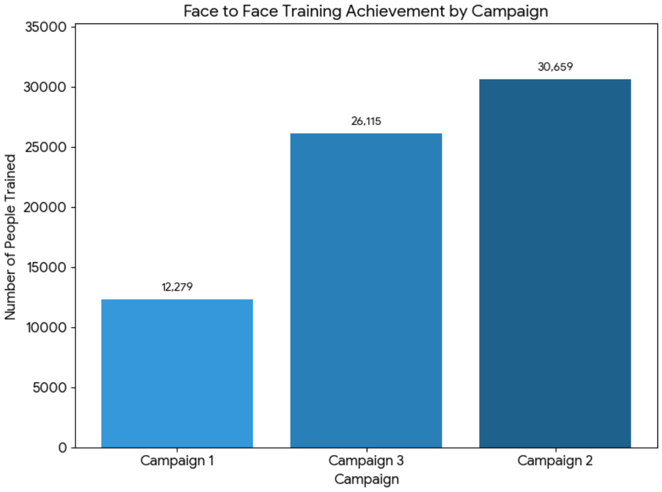
Key KPIs	*Achieved results (by end of the project – Nov 30 2025*
Total number of people reached	*122,053 (69,053 face-to-face and 53,000 digital)*
- *Number of women (face-to-face)* - *Number of women (digital)*	*15,948* *38%*
- *Number of people under the age of 35 years (face-to-face)* - *Number of people under the age of 35 years (digital)*	*12,304* *42%*
Total number of people trained in financial literacy	*122,053*
- *Number of women trained in financial literacy*	*36,468*
- *Increased uptake of insurance as a result of the FE campaign*	*18,641 (showed interest of uptake via digital platforms)*
- *Increased uptake of other financial products (savings, credit) as a result of the FE campaign*	*40,543*
- *Improved application of CSRA methodologies*	*25,899 (through surveys)*
- *Improved well-being and farm investment decisions*	*41,596 (through surveys)*

Beneficiaries Reached: The FE programme targeted 80,000 smallholder farmers across 10 provinces through a combination of face-to-face training and digital engagement. Direct training sessions reached a total of 69,053 farmers, while digital platforms engaged over 53,000+ individual listeners through more than 159,000 calls. A complementary radio campaign broadcast on 12 vernacular stations extended awareness to an estimated 400,000 listeners. The majority of beneficiaries were low-income rural smallholder farmers dependent on rain-fed agriculture. Through Viamos' context selection feature, which allows listeners to voluntarily indicate their gender and age, participation data was captured and analysed. The data showed that 62% of users were male and 38% female, with a strong youth presence, as 42% of participants were aged between 18 and 24 years.

Key Performance Indicators (KPIs): The project reached 122,053 people through a combination of face-to-face and digital financial education channels, with women representing 38% and youth (under 35) accounting for 42% of total reach. Within the face-to-face training component, women represented 23% and youth 18% of participants. These engagements translated into measurable behaviour change:

- 18,641 expressed interest in insurance uptake
- 40,543 adopted other financial products offered by Agora.
- 25,899 improved application of climate-smart risk assessment practices
- 41,596 reported improved wellbeing and farm investment decisions via digital platforms.

Impact Measurement: The project used a mixed-methods approach combining outreach data, structured surveys, and engagement tracking to measure impact among smallholder farmers. A total of 122,053 farmers were reached through a blended delivery model, with data captured via training registers and digital tools and disaggregated for inclusivity. Pre- and post-training surveys assessed changes in financial behaviours, showing 40,543 farmers adopted financial products, while engagement tracking recorded 18,641 expressing interest in agricultural insurance. Additionally, 41,596 farmers reported improved wellbeing, including better financial management and farm investment decisions. Data was regularly triangulated and validated through field visits and partner reporting to ensure accuracy and strengthen the credibility of results.



Training Impact: The project directly trained 69,053 low-income smallholder farmers through community-based financial education sessions. To sustain delivery beyond the project, 52 Trainers of Trainers (drawn from the Ministry of Agriculture and Agora Microfinance) and 232 Village Champions were equipped to cascade the curriculum at community level. Training covered budgeting, savings, responsible borrowing, cash flow management, climate change awareness, agricultural insurance, and climate-smart agriculture.

Comparison with Targets: Face-to-face campaigns exceeded the target of 50,000 farmers, reaching 69,053 - 138% of plan. Digital engagement through the Viamo platform recorded 54,000+ interactions against a target of 30,000, achieving 180% of the planned engagement target.

Client Feedback:

Nabucha Youth Village Bank Group, 38 members (28 women, 10 men)

The group of agro dealers and smallholder farmers shared that the training on financial management and insurance enabled them to secure an AMZ Lima loan to purchase a hammer mill, strengthen their business.

Investment Mobilization: The FEW programme strengthened uptake of existing credit services offered by Agora Microfinance Zambia and increased farmers awareness of available agricultural insurance services products, with a number of offered by Agora Microfinance Zambia. The intervention embedded financial education within institutional systems, creating a sustainable model that supports continued investment in client capability development.offered by Agora Microfinance Zambia. The intervention embedded financial education within institutional systems, creating a sustainable model that supports continued investment in client capability development.

Market Demonstration Effect: The project demonstrated that blended delivery (face-to-face engagement + digital + radio) can deliver scalable, cost-effective financial education at national level. Embedding financial education within financial institutions and extension systems created a replicable model for integrating climate risk awareness and financial capability into rural finance ecosystems.

Key Results:

Client level

The programme delivered strong results in financial knowledge, behaviour change, and client satisfaction. Face-to-face delivery through the Trainer of Trainers model in local languages drove high engagement, while digital outreach via Viamo confirmed positive experiences through high listen rates and repeated interaction with core topics. Survey completion targets were met in full at both midline and endline, with completion rates improving from 68% to 78% - strengthening the credibility of findings.

Knowledge scores rose from 50.6% at midline to 51.9% at endline. While modest, this gain reflects successful reinforcement of learning at scale. Farmers reported greater confidence in budgeting, savings, responsible borrowing, and cash flow management, as well as more informed engagement with financial service providers. Many described more cautious borrowing decisions, stronger repayment discipline, and increased use of savings to manage shocks.

Farmer testimonies captured tangible real-world impact. One participant noted the training gave him the courage to access credit, which he invested in seed, fertiliser, and a piggery business. Another described expanding her farming operations and maintaining consistent loan repayment following the training.

Agness Chipanta (32)"The lessons I learned in the trained helped me get a Lima loan from AMZ and helped me harvest more maize than ever before. I learned to insure my crop and safeguard harvest."

Financial Sector Partner Level

The campaign strengthened institutional performance by converting financially excluded farmers into informed, active clients. Prior to training, only 0.5% of participants had accessed agricultural insurance. Post-training, 78% expressed interest in crop insurance, 76% in the Lima Loan, and 82% in budgeting support a significant shift from exclusion to informed demand.

Farmers reported improved savings discipline, clearer separation of household and farm finances, and better understanding of loan affordability and repayment contributing to a healthier credit portfolio and stronger repayment performance. Increased interest in climate-smart agriculture (84%) and insurance products reflected a broader shift toward risk-informed investment behaviour.

Financial education has been embedded within the operations of Agora Microfinance Zambia's institutional processes and Standard Operating Procedures (SOPs), building a sustainable pipeline of new savers, borrowers, and insurance clients beyond the project period.

6. Way ahead: Future scaling and sustainability plans

The next phase of the project will focus on expanding the blended financial education model into high smallholder and climate-vulnerable districts by leveraging the Ministry of Agriculture's extension system and scaling the Trainer of Trainers (ToT) model through additional Camp Extension Officers and Village Champions. Key partners will include the Ministry of Agriculture, Agora Microfinance Zambia, ACRE Africa, and Viamo to strengthen financial education delivery, insurance awareness, and digital reinforcement through IVR platforms. Collaboration with other microfinance institutions, savings groups, and agricultural off-takers will further support insurance uptake and integration into broader agricultural value chain programmes. Funding for expansion will be pursued through blended financing from development partners focused on financial inclusion and climate resilience, alongside co-investment from financial institutions that benefit from improved borrower capability and portfolio performance.

Sustainability and long-term impact depend on strengthening farmers' financial literacy and shifting from donor dependency toward a more inclusive, market-driven mindset that encourages active use of formal financial services. Leveraging existing government and financial service infrastructure will keep delivery costs manageable while digital channels provide scalable reinforcement. As the programme grows, a stronger monitoring and evaluation framework will be implemented to track long-term behavioural change, financial product uptake, and farm investment decisions across multiple agricultural seasons. This will generate stronger evidence of impact, support programme refinement, and demonstrate the value of financial education in improving farmer resilience and financial sector engagement.

Lessons learnt and recommendations

Sustainable Delivery Models

To ensure continuity of financial education beyond donor-funded projects, the following delivery models are recommended:

- *Institutional integration:* Embed financial education within the core operations of financial service providers, as demonstrated by Agora Microfinance, ensuring it becomes a standard component of client onboarding and engagement
- *Co-financing partnerships:* Develop cost-sharing arrangements with insurance providers, agribusinesses, and input suppliers who benefit from improved farmer financial capability and risk management
- *Digital platform partnerships:* Maintain strategic partnerships with platforms such as Viamo to enable cost-effective, scalable outreach that complements in-person training
- *Public-private coordination:* Leverage government extension systems and community structures to reduce delivery costs while ensuring local relevance and trust

Approaches to Retain

If implemented again, the following elements should be maintained as core components:

- The blended delivery approach combining face-to-face and digital channels
- The Trainer of Trainers model utilizing trusted local champions and extension officers
- Locally adapted curriculum delivered in local languages
- Alignment of content with agricultural seasons and farmer decision-making cycles
- Data-driven refinement of messaging based on engagement metrics and feedback
- Multi-stakeholder coordination among financial institutions, government, and digital platforms

Approaches to Avoid

Future interventions to avoid:

- One-off training sessions without follow-up or reinforcement mechanisms
- Generic, non-contextualized messaging that does not reflect local agricultural realities
- Over-reliance on text-based or non-interactive digital methods in low-literacy contexts
- Delivery models that create parallel systems rather than strengthening existing structures
- Limited monitoring of behavioural change beyond immediate knowledge gains
- Weak linkages between financial education and actual product availability

Priority Improvements

To enhance sustainability and long-term impact, future interventions should prioritize:

- *Continuous monitoring and feedback loops:* Establish systems for tracking behavioural change over multiple agricultural seasons, enabling adaptive programming and evidence-based refinement
- *Enhanced interactive engagement:* Expand use of interactive voice response (IVR), storytelling, peer testimonials, and farmer-to-farmer learning to reinforce messages and sustain motivation
- *Stronger product linkages:* Deepen partnerships with insurers and financial institutions to ensure timely availability of appropriate financial and climate risk insurance products aligned with training cycles
- *Segmented messaging:* Develop targeted content for different farmer profiles (e.g., youth, women, first-time borrowers) to increase relevance and uptake
- *Long-term impact tracking:* Invest in extended monitoring periods to measure sustained changes in savings behaviour, credit discipline, insurance uptake, and financial resilience.

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