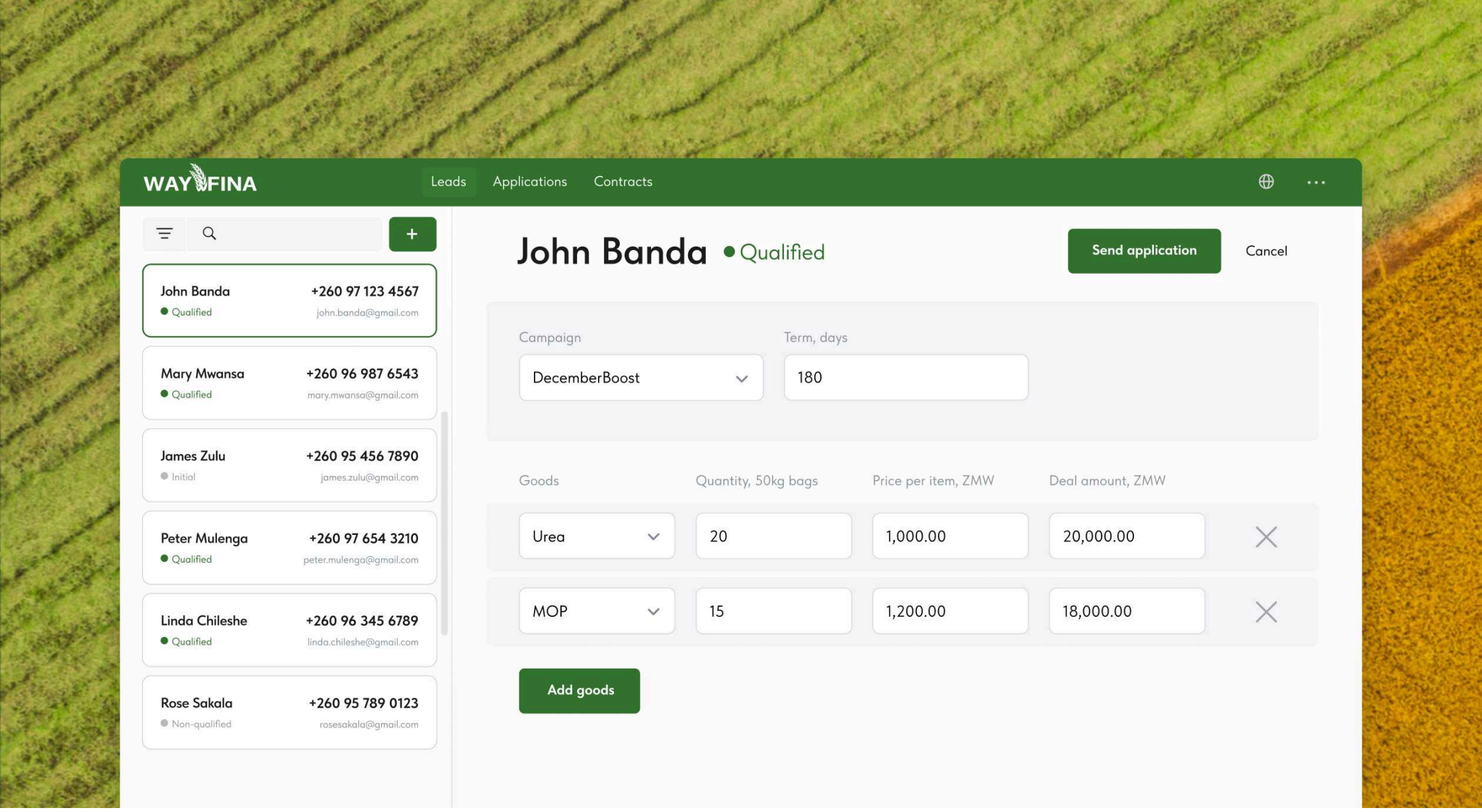


HES

The ‘Grow Now, Pay Later’ initiative changing agricultural finance

WayFina success story

WayFina, a supplier of fertilizers and agricultural products for farmers and MSMEs across Africa, launched a “Grow Now, Pay Later” initiative to help farmers access essential inputs with deferred payments, settling costs after harvest.

Founded in	Markets	Team size	Type	Website
2024	Zambia	1-10	Impact finance	wayfina.com

Challenge

Food insecurity and lack of automation

Traditionally, WayFina’s business model required full prepayment for fertilizers, facilitated through dealer networks. This approach limited accessibility for many farmers due to upfront costs and logistical challenges. The company aimed to transition to a direct-to-farmer distribution model with flexible payment terms to make fertilizers more affordable and accessible. Implementing this change presented several challenges:

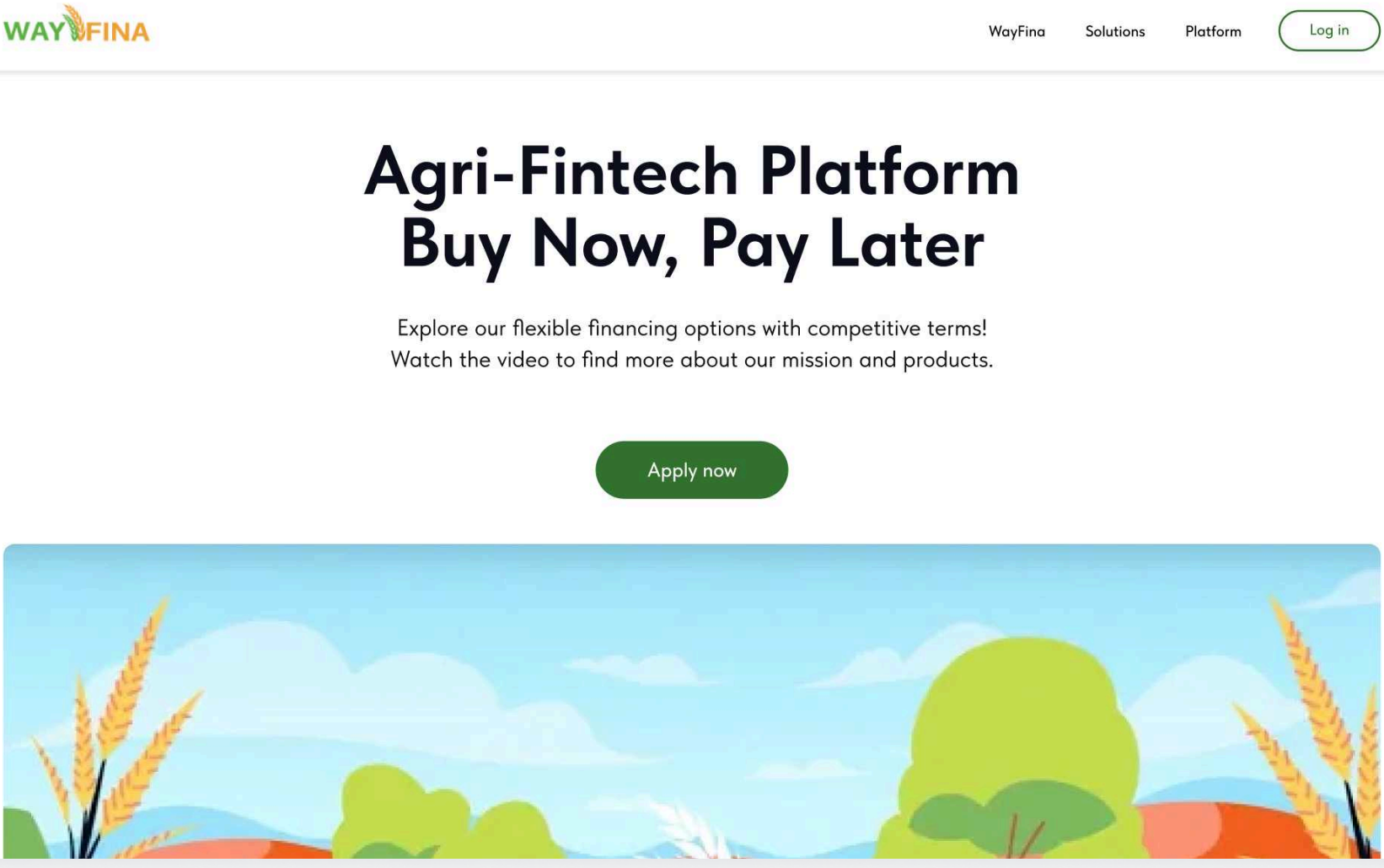
- **Tight deadlines**
  The solution needed to be operational by December to align with Zambia’s planting season.
- **Regional specificity**
  Operating in Zambia required navigating limited digital infrastructure, the absence of traditional credit data, and the need to integrate with local service providers.
- **Fraud concerns**
  The high-risk environment necessitated robust fraud detection systems tailored to the region. Operating in Zambia and the broader African region presents significant fraud risks, particularly in the lending sector. While specific data for Zambia is limited, insights from neighboring countries highlight the severity of the issue. For instance, in Nigeria, banks reported losses amounting to ₦6.03 billion (approximately $7.8 million) in the first half of 2023 due to fraudulent activities, with a notable portion stemming from loan fraud.
- **Market research**
  Limited online information about local practices and data sources posed significant hurdles in planning and execution.

Based on machine learning algorithms, the solution allows each client to take an appropriate level of risk and ensures that they do not pay excessive fees.

Solution

Bridging gaps in access to fertilizer with flexible credit

To address these challenges, WayFina partnered with HES FinTech to implement HES LoanBox, a customizable lending platform tailored for the agricultural sector. This collaboration facilitated the transition from a dealer-based prepayment system to a direct-to-farmer model, significantly reducing costs and increasing accessibility. The “Grow Now, Pay Later” program was integrated into the platform, offering farmers the flexibility to purchase fertilizers on credit and repay after harvest.



The project is currently in its development stage, with the platform being customized to include localized features such as integrations with regional payment systems and alternative data sources. Advanced AI-driven risk models are being developed to analyze non-traditional data and assess creditworthiness responsibly, ensuring inclusive and sustainable financing.

Robust fraud detection capabilities are also being implemented to handle the anticipated higher fraud risks in the region. Despite tight deadlines, the project is on track for deployment by December to align with the planting season.

Impact

How flexible financing fuels Zambia’s agricultural growth

The implementation of HES LoanBox is poised to revolutionize agricultural finance and food security in Zambia. By enabling farmers to access fertilizers without upfront payments, the program directly addresses one of the region’s most pressing challenges. This increased accessibility is expected to lead to higher crop yields, strengthening food security and reducing reliance on imports. In a region where droughts frequently exacerbate food shortages, this initiative provides critical support to local communities.

Beyond its impact on food security, the solution empowers farmers and MSMEs, the backbone of Zambia’s agricultural economy. By offering affordable financing options, HES LoanBox enables farmers to optimize their operations, invest in better techniques, and improve their livelihoods. This empowerment creates a ripple effect of economic growth, supporting local economies and fostering regional development.

Future outlook

A new chapter in Zambian agriculture

While the project is set to launch in December, its transformative potential is already evident. The success of this initiative in Zambia will serve as a blueprint for expanding the program across other African countries, amplifying its impact on food security and business empowerment. HES LoanBox has proven to be not just a software solution but a catalyst for meaningful change, combining innovative technology with a localized understanding of market needs.

This partnership between WayFina and HES FinTech exemplifies the power of fintech solutions to drive progress. By transforming agricultural finance, HES LoanBox is planting the seeds for a more resilient agricultural sector, ensuring a brighter and more secure future for communities across Africa.

Thank you for your attention!

hesfintech.com