

FAMILY FARMING FINANCING REQUIREMENTS

An outline adapted from "Matching supply by MFIs and the needs of family agriculture" by C. Lapenu, November 2001 ¹

Occupation system:		Rain fed crops, weak diversification, remoteness from markets	Diversified system based on plantations	Irrigated crops	Integrated sectors	Peri-urban zones (market gardens, small livestock, commerce)	Animal husbandry, weak diversification	Traditional fishing
Risk level		Strongly subjected to climatic risks		Protected from risk of drought	Protected from market risks (before sector liberalisation)	Low: diversification and proximity to urban markets	Risks of mortality and disease	
Constraints		Seasonal income. Weak integration in markets	Delayed income. Large investment	Investment in the irrigation system; seasonal income	Seasonal income		Large livestock - delayed income	Regular income. High level of investment
Financing potential		Low level of investment	Financing of plantations in stages		Privileged access to financing	Steady income	Small livestock - steady income	
Main effective demand for services	Short term credit	<ul style="list-style-type: none"> • Inputs • Labour • Consumption credit (bridging period) 	<ul style="list-style-type: none"> • Main season crop inputs • Village granaries • Consumption credit (bridging period) 	<ul style="list-style-type: none"> • Inputs (twice per year) • Labour • Irrigation network maintenance • Village granaries • Consumption credit (bridging) 	<ul style="list-style-type: none"> • Cash crop inputs • Labour • Consumption credit (bridging period) 	<ul style="list-style-type: none"> • Inputs • Labour • Processing / packing 	<ul style="list-style-type: none"> • Inputs (feed) • Small livestock 	<ul style="list-style-type: none"> • Nets • Gas oil
	Medium and long term credit	<ul style="list-style-type: none"> • Equipment • Plantations 	<ul style="list-style-type: none"> • Small equipment • Plantations 	<ul style="list-style-type: none"> • Equipment • Pumps 	Equipment		Cattle	<ul style="list-style-type: none"> • Boat • Engine
	Savings	<ul style="list-style-type: none"> • Cash management • Emergency fund (precautionary savings) • Dedicated savings, e.g. equipment 	<ul style="list-style-type: none"> • Cash management • Emergency fund • Dedicated savings 	<ul style="list-style-type: none"> • Cash management • Emergency fund • Dedicated savings 	<ul style="list-style-type: none"> • Cash management • Emergency fund • Dedicated savings 	<ul style="list-style-type: none"> • Emergency fund • Dedicated savings 	<ul style="list-style-type: none"> • Emergency fund • Dedicated savings 	<ul style="list-style-type: none"> • Emergency fund • Dedicated savings
	Insurance	<ul style="list-style-type: none"> • Health insurance • Crop insurance 	Health insurance	Health insurance	Health insurance	Health insurance	<ul style="list-style-type: none"> • Health insurance • Livestock insurance 	Health insurance

¹ The full report can be found in the Resources section under Service provision / Rural outreach.