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Good project practice

Voluntary bonus payment system

CHALLENGE AND APPROACH

Farmers in the Global South receive **little recognition** for their work. At the same time, the source of products is often **not transparent** for German consumers, who are willing to pay more - provided that farmers benefit directly. Therefore, Business Scouts developed a voluntary **bonus payment system** that creates a direct connection: via XtraPay, customers can obtain information about the source of a product and pay a bonus of 20 cents, which farmers receive directly as **mobile money**.

EFFECTS AND ACCOMPLISHMENTS

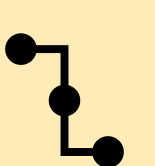
The bonus payment system improved **farmers' livelihoods** and made **supply chains transparent**. A bonus of 20 cents from consumers increased the average household income of farmers by 2.2% on such days. Thus, consumers directly exerted their influence on supply chains. During the pilot phase of the project, ten supermarkets in Braunschweig introduced XtraPay. 90% of the consumers of the tested product used the bonus payment system.

PROSPECT

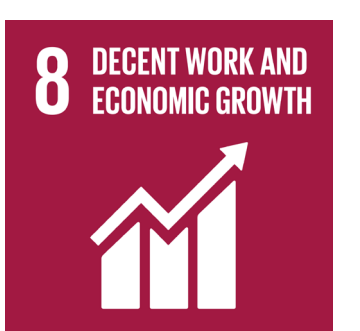
After a successful pilot in Germany, XtraPay will be offered to Ghanaian consumers locally.

136

farmers benefitted in the pilot phase



Promotion of transparent supply chains



Data & Facts

Country	Ghana
Partner institutions	Bundesverband für Großhandel, Außenhandel, Dienstleistungen e.V. (BGA)
Involved partners	MTN Ghana, Ghana Green Label, Participatory Guarantee Systems of Ghana, Ekumfi Fruits and Juices
Duration	October 2022 - July 2023
Business Scouts	Anna.Peter@giz.de
BMZ priority topics	Poverty and Hunger, Digitalisation

On behalf of



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Find more information here: www.bmz.de/bsfd