

IICD in the Economic Development sector





Rural Information System | Uganda

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IICD supports Economic Development in developing countries by helping small-scale farmers and entrepreneurs use ICT (information and communication technology) to improve their business performance and income. Because so many of the poor are rural farmers, IICD's work in this sector focuses predominately on agricultural livelihoods. And because most rural farming families supplement their income through small-scale businesses, IICD also supports local entrepreneurship and youth employment. The success of small and medium-sized business enterprises is vital to both the economic and social fabric of rural areas, where 75% of the world's poor live and work.

Challenges to economic development

Over three billion people – almost half the world's population – currently live on less than US\$2.50 a day. Raising their income requires overcoming a number of factors that stunt economic development. These include low-quality education and business skills training, high unemployment and a poor business climate.

Without market information, farmers and small businesses are unable to earn an adequate income from their labour. Without proper knowledge of production or business methods, small-scale farmers and local entrepreneurs are unable to increase productivity or generate new business. And without basic business skills, small businesses remain unprofitable and employment opportunities for youth in particular remain scarce.

About IICD

IICD is a non-profit foundation specialising in ICT as a tool for development. IICD is active in economic development, education and health with a focus on innovation and gender.

‘We want to broadcast market information on a national scale because this is more than just something that’s nice to know. In fact, having this information will really help farmers in their daily struggle to get a fair price for their hard work.’

Juan Jose Saldias, *Radio Santa Cruz, Bolivia*



Shea Butter Producers' Cooperative | Mali

The role of ICT

ICT can deliver both the information and the training that farmers and entrepreneurs need to make sound business decisions. For farmers, access to market information can help them decide which crops to grow, when to sell and for how much. Radio, internet and other media deliver vital information on production methods that raise crop quality and increase productivity. Artisans such as potters and weavers can access new patterns. And farmers' associations use ICT to support volume sales and certification.

ICT is also a powerful tool to improve administration and business management. ICT helps farmers, cooperatives and businesses manage their finances while improving competitiveness. It helps them find new markets and attract new buyers. What's more, with proper training, young people are able to provide much needed maintenance services for computers and mobile phones in rural areas.

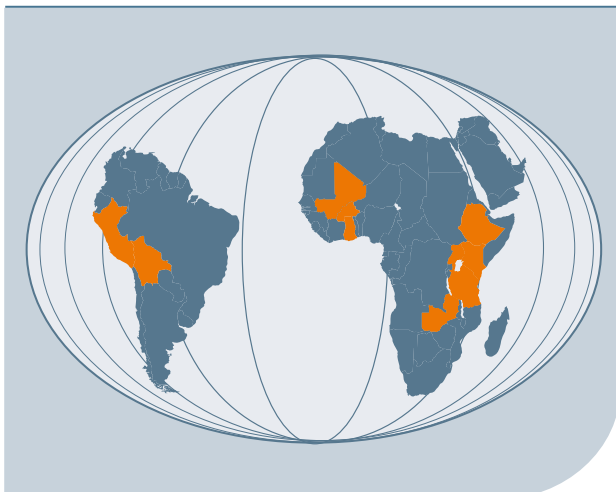
Core aims in Economic Development

- **Accessing key market information** : the right information helps farmers and entrepreneurs decide what to grow or manufacture, when and how to sell it and what price to ask for it.
- **Improving quality and productivity**: access to local and expert advice on production methods helps farmers and businesses improve quality or meet certification requirements. Efficient information gathering on production helps farmer collectives earn more through volume sales.
- **Strengthening business skills and employment opportunities**: basic ICT training provides essential skills for finance, business administration and marketing. Maintenance and repair services represent a new business opportunity for youth.
- **Supporting policy makers**: the success IICD has already had with economic development projects has positioned it as a valuable government advisor for ICT policy development. To date, IICD has been a helpful partner to regional and national governments in Bolivia, Ghana, Mali, Tanzania and Uganda.

What is ICT in Economic Development?

| Aim | Deliverables |
|------------------------------------------------------------|-------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Accessing key market information | <ul style="list-style-type: none"> • Web-based market price information systems • Rural and national radio and TV programmes • Cooperative Information Officers and community notice boards • Mobile text messaging services • Business information centres • ICT centres • Online networks and communications |
| Improving quality and productivity | <ul style="list-style-type: none"> • Agricultural production technique database • Agriculture information centres • Multimedia instruction materials • Online instruction • Value chain analysis and continual improvement • Geographic information systems • Organic and fairtrade certification data support (e.g. using PDAs, handheld devices) |
| Strengthening business skills and employment opportunities | <ul style="list-style-type: none"> • Financial and business administration training • ICT skills training • Marketing tools and training • Website and promotional materials training • Business management training • Training in ICT maintenance and repair |
| Supporting policy makers | <ul style="list-style-type: none"> • Consultation on ICT programme formulation and implementation frameworks • Assistance with capacity development • Evaluation and monitoring |

Facts & Figures



| | |
|--------------------------|----------------------------------------------------------------------------------------------------------------------|
| Countries: | Bolivia, Burkina Faso, Ethiopia, Ghana, Kenya, Mali, Peru, Tanzania, Uganda and Zambia |
| Number of programmes: | 62 |
| Direct users: | 250,000 |
| Secondary beneficiaries: | 3.6 million |
| Local partnerships: | civil society organisations, church organisations, government initiatives |
| Scope: | small farmers and farming associations, traders and trade organisations, informal small and medium-sized businesses. |

Success stories

Recent IICD activity in the Economic Development sector includes programmes developed and implemented with partners in Bolivia, Ghana and Zambia. It has also been active in Burkina Faso, Mali, Tanzania and Uganda. Based on its deep experience, IICD is developing Economic Development programmes in Ethiopia, Kenya and Peru.



Farmers' training | Bolivia



Business Development Centre | Ghana



Chawama Youth Resource Centre | Zambia

Bolivia

Many rural communities in Bolivia are entirely dependent on small-scale agriculture. To close the information gap that presently handicaps the sector, IICD and its partners use ICT to help farmers locate and exchange information on crop production techniques, market prices and certification.

For example, IICD supports a large-scale information system for small-scale farmers in the department of Santa Cruz. The system includes a web-based crop-price information database for the area's key agricultural products. This database is updated daily and broadcast by radio to a nationwide audience of 3.5 million listeners. At the same time, government extension officers and farmer associations are trained to use the information to improve production and income from sales. Farmers will eventually be able to access price and Q&A services via mobile phone.

Another way to fundamentally improve the position of small farmers is to help them obtain organic and fairtrade certification. With IICD's help, a website has been developed where Bolivian farmers can exchange information on production techniques, markets and volumes, and certification requirements. The website is run collectively by 30,000 organic farmers organised in 65 local associations throughout the country. In future, PDAs and notebooks will be used to capture GPS and other data in the field. This information is indexed and stored in a central database to help farmers meet the complex requirements for certification. Of those farmers who have taken part in this project, almost half report an average increase of 10% in their income.

Ghana and Zambia

In the isolated northwest area of Ghana, youth unemployment is high and trained graduates often migrate in search of work. IICD has partnered with a local organisation to establish a Business Development Service Centre, helping young entrepreneurs build viable local businesses. IICD helped install a low-cost and energy-efficient 'thin client' network. Local staff was trained in ICT and business skills. At present, nearly 400 young business owners use the centre – 65% of these are women. The centre provides training in business management, financial management, entrepreneurial skills and business advisory services.

Rampant youth unemployment is also a major social issue in Zambia's capital city, Lusaka. There, IICD helped the local skills training centre integrate ICT into its youth development programme. Initially, a small ICT centre was established, and an internet café set up to help pay for the connectivity. However, the community soon found other uses for ICT: secretarial services, marketing for carpentry products and services, and recording and burning music CDs for local musicians. Thanks to public demand, the ICT centre was expanded. Today, the training centre itself uses ICT to improve its administration, and ICT has been integrated into the business skills training programmes for tailors, carpenters, auto-mechanics and electricians. Based on the impressive performance, two IICD-supported youth centres are helping 16 other centres all over Zambia to integrate ICT into their curriculum and daily operations at the request of the Ministry of Sports, Youth and Child Development.

Helping farmers and small businesses thrive



Rural Women's Information Network | Burkina Faso



Eastern Corridor Agro-information Centre | Ghana

For both farmers and entrepreneurs in rural communities of the developing world, even a modest gain in production or income can have a major impact on their quality of life and the communities they live in. IICD helps them realise these gains by increasing their access to key information through ICT. And we are dedicated to seeking out innovative ways to boost economic development through ICT in the countries where we work.

To find out more about what we do and how you might be able to help, please contact us.

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