



Economic Recovery and Development

Strengthening local markets

The IRC's Economic Recovery and Development Department works with a range of partners to make markets work for our beneficiaries. Our approach recognises that the prosperity of the vulnerable and conflict-affected is closely linked to their ability to engage with the larger market as a whole, stabilising their lives through jobs and income. This approach, where appropriate, works not only to directly support the conflict-affected and most vulnerable, but also those who are able to generate jobs and investment capital, namely processors, wholesalers, retail traders and others.

IRC places a unique focus on countries that have been affected by conflict, working to make some of the most hostile market environments more amenable to new business. IRC works in some of the lowest-ranked countries on the World Bank's Doing Business ranking, including DRC, Haiti, Zimbabwe and Chad. Economic recovery programmes contribute to the long-term recovery of conflict-affected countries by working to strengthen local markets, institutions and enterprises.

Access to Markets

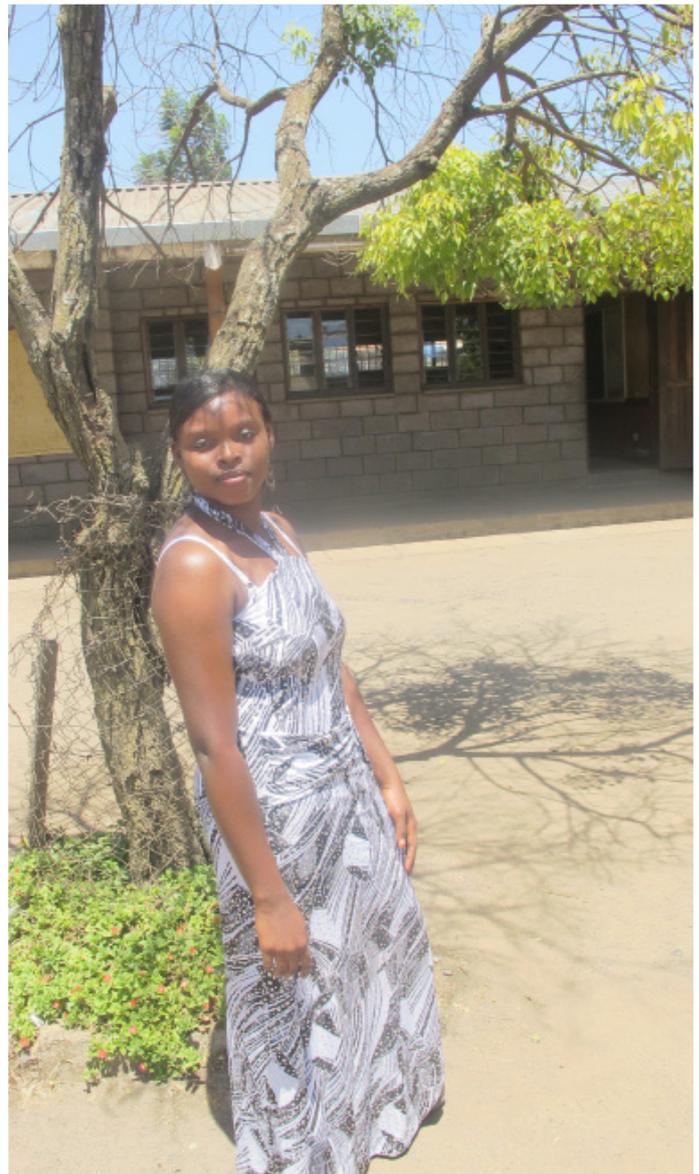
Often the main challenge faced by producers is not growing or manufacturing quality goods, but finding customers to buy them. Even in situations of ongoing conflict, our beneficiaries interact with markets on a daily basis. Our challenge is to make markets work to the maximum extent possible for the vulnerable and conflict-affected. Ensuring that our programmes help to make markets work for these small-scale producers, our technical staff take deliberate steps to examine the functioning of markets, and to identify demand for products and services. Part and parcel of this is engaging with local businesses, forging links and working to cement sustainable market relationships.

Initiatives to improve access to markets include:

- > Market/transportation infrastructure rehabilitation
- > Buyer-supplier linkage promotion and events
- > Post-harvest storage facilities
- > Support to processors/buyers to stimulate demand
- > Market research and participator mapping exercise

Strengthening Institutions

Constraints facing institutions impact upon the welfare of the poor, small business and entrepreneurs. Draconian legal codes, bureaucratic enforcement, monopoly, and strict business licensing controls place major limitations on prospects for small business growth. While the IRC's economic recovery and development programmes are focused on communities, we are actively engaging host-country governments on a number of levels. This collaboration is most evident in our local economic development programming, working to broker relationships and financing for creative initiatives between the private sector and business. These public-private partnerships stimulate investment in infrastructure, legal reform initiatives and other services that drive the growth of local economies.



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Economic Recovery and Development Case Studies

Girls Empowered by Microfranchise *Kenya*

To address the barriers faced by Kenyan and Somali girls living in the slums of Nairobi, the IRC is implementing an economic development initiative called microfranchising. The microfranchise model enables low-income individuals to own and operate a ready-made business-in-a-box, utilising proven strategies and an established brand from a corporate, franchise partner. The IRC has been at the forefront of global microfranchise programme development and has pioneered the use of the model among young people and in conflict-affected settings. The IRC plays a crucial role in linking vendors and entrepreneurs, helping to identify, train and match prospective business partners. Ultimately, the goal of each microfranchise project is to fully embed operations within local businesses so that assistance from the IRC is no longer required.



Linking Farmers to Markets *Uganda*

In the IDP camps of northern Uganda, marginalised and isolated farmers are now collectively negotiating with, and profitably selling to, one of Uganda's largest private sector cotton buyers. In collaboration with local leaders, buyers and producers, the IRC was able to facilitate the opening of over 750 acres for food and cash crop production and provide farmers with the necessary contacts and business skills to run successful agribusinesses. Initial sales of more than £20,000 transformed the lives of over 400 households.

The Sandes earn about £634 a year from their harvests, a good income in a country where 83 per cent of the population lives on less than £1.25 a day. They have received training on how to plant the chillies and apply fertilisers as well as business skills training, and have set up a demonstration field to share this knowledge with other chilli farmers. Water for the chilli crop is provided by the nearby Gairezi River, making the project fully sustainable.

To date 200 farmers have benefitted from this project, and more than 1,600 others are profiting from similar agricultural partnerships.

Strengthening the Capacity of Smallholder Farmers *Zimbabwe*

In the smallholdings of eastern Zimbabwe, a revolution in farming has taken place. Historically, farmers in this region struggled to make a living from their land, despite fertile soils and good irrigation. Major obstacles included difficulty in finding buyers for their crops and a lack of cash flow.

To respond to these needs the IRC launched a project that partners undercapitalised local farmers with private companies and government agencies to help them access global markets. The IRC partnered with local horticultural experts to provide advanced training to farmers in growing chilli plants for export.

One local farmer who has benefited from the project is Taipwa Sande who now cultivates 3,000 chilli pepper plants in his half acre of land. These are ground into a paste at a local grinding station and then transported down to Durban and exported across the globe.

