



The First Mile Project

■ Mobile phones are an important tool for *Mkulima shu shu shu*, or market spy, Stanley Mchome, who spends his time chatting with traders, wholesalers and transporters at village markets to gather the latest market news. The information is then shared with other farmers throughout the district.

The First Mile Project is about how small farmers, traders, processors and others from poor rural areas learn to build market chains linking producers to consumers. Good communication is vital. The project encourages people in isolated rural communities to use mobile phones, e-mail and the Internet to share their local experiences and good practices, learning from one another. While communication technology is important, real success depends on building trust and collaboration along the market chain. Ultimately farmers and others involved develop relevant local knowledge and experience and share it – even with people in distant communities – to come up with new ideas.

The First Mile Project is supported by the Government of Switzerland and is implemented in collaboration with the Agricultural Marketing Systems Development Programme (AMSDP) of the Government of the United Republic of Tanzania. The AMSDP is a seven-year programme to increase rural poor people's food security and incomes by improving the structure and performance of the country's crop marketing systems. Technical assistance for the First Mile is provided by the International Support Group.

The First Mile story

In mid-2005 the First Mile Project started working with small farmers in parts of Tanzania to improve their access to markets and market information.

The project tackled two main challenges: access by rural poor people to relevant information and knowledge and to communication technologies such as mobile phones, the Internet and e-mail; and their access to other key people in the market chain, including processors, traders and consumers.

As the First Mile Project leader, Clive Lightfoot, said at the time, "The project brings together the communication and marketing dimensions.

Marketing has a tight connection to immediate income and is very dependent on information – not just price information but market intelligence such as information about product quality and what is coming into the market. It is very information-intensive. We've coupled that with the potential to make an income, and that is what is driving this project."

The project set out to:

- facilitate learning among local groups to improve market linkages
- generate locally developed good practices in building markets



Enabling the rural poor
to overcome poverty

- empower small farmers to get access to information and communication technologies (ICTs), based on their own needs

A little less than ten months later, in March 2006, project participants met in Morogoro, Tanzania, to discuss and assess the impact of their work on market chain development.

After just one agricultural season, they agreed there had been considerable impact on their access to markets and on their production and incomes.

The First Mile Project did not start from scratch. It built on the foundations established by the AMSDP, and particularly on its work to strengthen the organization, leadership and financial management of producer groups. The core groups set up by the AMSDP to implement its activities in

the districts were crucial in enabling the First Mile team to reach farmers. In some districts the core groups became the intermediaries, helping farmers negotiate with others in the market chain and helping them share and develop ideas over the Internet. Two other key initiatives established by the AMSDP are savings and credit cooperatives and the warehouse receipt system, which enables farmers to store their harvest and sell it in bulk at the right time. This gives them better bargaining power and higher profits. And if an emergency arises while they are waiting to sell, they can borrow cash through credit cooperatives. In Babati district farmers doubled and even tripled their earnings when they were able to store their harvests, get access to credit and build alliances with other farmers to sell in bulk.

Making better market access sustainable for small farmers

Many of the best ideas for helping small farmers get better access to markets have grown from the work of small support teams established by the AMSDP in 14 districts of Tanzania. Known as district core groups, the teams include district officials for agriculture or marketing, a representative of the local partner NGO and representatives of local farmers, processors and traders.

The groups have played a key role in linking farmers with other participants in market chains by gathering and sharing information and bringing farmers and others together to talk about how to improve the efficiency of market linkages. On occasion the core groups have helped broker agreements that allow farmers to get a better deal when they sell their produce. The core group in Songea district connected farmers with a trader in Arusha who wanted to buy pigeon peas, a cash crop in Tanzania with relatively low production costs. The farmers grew pigeon peas from seed provided by the trader and managed to sell 11 tonnes of the crop, making a profit of about 200,000 Tanzanian shillings.

The district core groups were an obvious entry point for the First Mile Project. Members were

trained in how to develop market chains and how to use the Internet-based Linking Local Learners platform to learn and share good practices among districts. Within a short time, good practices began to emerge from the work of several district core groups and were then shared through the Internet.

“District core teams have, in just six months, figured out five or six key practices to make their businesses work,” says First Mile project leader Clive Lightfoot. “One of them is the market spy. Farmers are out in the marketplace and are exploring and gathering information about who’s buying what and who’s selling what, who’s warehousing, who’s transporting, who’s doing what and who are the middlemen that we don’t know. It’s more intelligence than market price – which they can get through SMS and other mechanisms. The information gathered by the market spies, or *shu shu shus*, is posted on village billboards to be shared more widely.

“Another important good practice is how to negotiate with a bigger player. Normally the farmer sits at home and a buyer comes to their house and says, ‘I’ll buy your crop and here’s a few cents’. It’s very different when you get organized and go and



■ Susan Gweba, the chairperson of a women's fruit and vegetable processing group in Muheza, takes stock of ready-to-sell packets of dried vegetables and fruits. Women in the group are exploring potential markets for the products.

sit in front of a processor or a wholesaler or a warehouse operator and talk about how to work directly with them."

Vincon Nyimbo, coordinator of the market linkages component of the AMSDP, notes that when core groups have helped farmers negotiate with others in market chains, this has ensured market transparency and helped eliminate the cheating and mistrust that has hindered fair trade in the past.

"They create a forum, which we call a business platform, where the different stakeholders in a given market chain can meet and share the challenges they face together as partners," says Nyimbo. "This allows for transparency along the chain, and it allows for innovation in improving the efficiency of the chain."

"We are still operating in a market environment where there is a lot of mistrust – where different participants are complaining about the behaviour of others. The traders complain that the farmers cheat on quality and quantity, and the farmers feel that the traders are cheating them on price and other things," says Nyimbo. "The business platform allows for the different participants to deal with this mistrust, to allow for the flow of information and to share their common concerns about making the market chain more efficient. In the end, they all want the same thing – better earnings, better prices."

There are numerous success stories. In Mbinga district the core group helped small wheat farmers bulk their production to the extent that they could negotiate the use of a local wheat mill. They then went on to build a market chain that included an important trader who sold the wheat flour to retailers and large consumers like the local bakery.

The district core teams have also acted as the link between farmers and the Internet, documenting emerging good practices in their own districts and sharing them through the Linking Local Learners platform (see Linking Local Learners: more than a website).

Job Eliushi Mushi, the partner agency representative in the Songea district core team, explains how it works, "One of our groups has an e-mail address, which will be used assisted by myself because it is a new address and the person is not yet very competent in using the Internet. So I will be assisting him in opening the Internet and conveying information to his Nakahogo group, which is a paddy group in Songea."

"The information received from the Internet is printed out and taken to the groups and then the reaction is sent back to me and put again onto the Internet," says Mushi. "Our farmers have seen the importance of working in groups. Previously everyone was working on their own. They have seen the importance of coordinating the information within their groups and also seeking

market information from the outside. They have also seen the importance of using the Internet.”

The district core groups were strengthened by the activities of the First Mile Project, but significant challenges remain if they are to realize their full potential. As noted in the final report on the First Mile Project, although significant improvements were made in the market access of some small farmers, the experience has been “focused and short”.

“Only 14 of the 20 AMSDP districts have been covered, and only half of them have well-developed networks of producer groups and key players,” the report continues. “A number of districts in the southern zone of the country have great difficulty in getting adequate access to the Internet.”

The report also notes that few core groups were servicing more than 15 per cent of farmers in their districts. “The potential to expand the number of commodity chains and their volume is therefore huge,” the report states.

The biggest challenge will be sustainability. By the time the AMSDP ends in 2009, it expects to reach its goal of establishing in each district commercially viable operations that can continue to improve market linkages for small farmers.

■ Farmers are working with processors and traders to learn how to build market chains that give them more direct access to consumers. Here William Swai, a member of the Babati district core group, discusses a market chain for rice.

The district core groups want to learn how to set up rural service companies. They want to concentrate on preparing business plans, getting loans, setting up business platforms to build and sustain market chains and run effective warehouses and savings societies.

These commercial ventures, known as rural service companies, are likely to be those district core groups that have succeeded in creating and servicing a critical mass of paying customers. In effect, they must make the transition from project funding to sustained independent funding by the people directly benefiting from their services – farmers’ associations and others in the market chain, including bigger players such as larger processors, supermarket chains, transport companies and exporters.

“The AMSDP is a programme with a definite lifetime. It will end in 2009,” says the programme coordinator, Nathaniel Katinila. “So we need to have a mechanism in place to ensure that the kinds of services being offered by the district core groups continue. But the farmers must be ready to pay for the information and services that give them profit.”

“We have seen already that people are willing to pay for information and services as long as they know they will get a profit. We have seen this in Babati, where the farmers are paying for the air time on mobile phones because they know there is a benefit,” Katinila says.

According to Lightfoot, the district core groups are offering vital services that must be sustained after the AMSDP ends. “You need a group that is doing market research, looking for new commodity opportunities, seeing where the new avenues are opening, what changes are happening with technologies,” says Lightfoot. “You need a group that is feeding those market information centres that are springing up in the districts – someone has got to get the information and get it out there to the farmers.”

“We’ve seen the key players – the farmers, processors, traders – making a lot of money out of the improved marketing,” he says. “So paying for the services to continue is not going to be difficult because you have big players making a lot of money, and they won’t mind spending a small amount of their profit to keep those services going.

“It is becoming clearer that promoting the emergence of market chains and enabling many more producers to have much better access to the market place is commercially viable,” he says.





Boosting farmers' profits through market intelligence

■ Market spy Stanley Mchome sends text messages with vital market information that will help other farmers in Babati district decide when, where and to whom they should sell their products.

Stanley Mchome takes a last sip of tea before getting on with work. Outside the coffee shop, the sun is scorching. His white hat is indispensable but his most crucial accessory is the mobile phone attached to a piece of string around his neck. Today, Mchome is in Magugu, in Babati district, Northern Tanzania. He roams the market alleys chatting with traders, wholesalers and transporters to find out the latest market news. As a *mkulima shu shu shu*, or market spy, he investigates the selling prices of tomatoes, potatoes, maize, rice and other crops and commodities grown locally.

"I make sure I go to the traders to find the prices, to negotiate and investigate about the prices," says Mchome. "It is important to avoid cheating and make sure the information you are getting is really good. This work is not easy. Many traders do not want the farmers to know the actual prices they are selling at."

Using his phone, he can quickly call and send text messages to other members of his farmers' association. Vital information is shared, such as prices and quantities needed. He also collects highly relevant information, especially about when, where and to whom farmers' products can be sold. His effort will help fellow farmers increase market access, minimize inefficiencies and maximize profits. Sending a truck full of perishable goods to a trader who has already bought his maximum allotment is a waste of time, effort and money.

Market investigators like Stanley Mchome play a crucial role in the First Mile Project. They are an important link in a communication chain that is connecting farmers, traders, processors, transporters and others in information exchanges and learning groups, often with dramatic results. In fact, the role of the *shu shu shu* is one of the most popular and successful best practices to emerge from the project.



■ Members of the Nkumba Agricultural Marketing Co-operative Society in Kwamhosi village, Muheza district, meet to discuss how to get the information that will help them sell their locally-grown spices for the best price.

Experiences with these market investigators have been shared between districts, with the result that *shu shu shus* are popping up all over the country.

Armed with their mobile phones, the *shu shu shus* gather information personally and then share it by sending a text message, or SMS. This allows a saving on transaction costs, especially in dealings with people in other towns, and is a way of ensuring a quick response as opportunities arise. In Mufindi district the *shu shu shus* remain in close contact with their home villages while negotiating deals from distant markets. This would be impossible without mobile phones. Making sure that produce is in the right place at the right time to be picked up by the right trucks depends on fast and reliable communication in a network that encompasses village groups and large national trading companies.

In Mbeya district in the south of the country, use of mobile phones has led to greater efficiency in the bulking of maize for transport to Malawi. The local trader stays in touch with farmers' groups throughout the district by mobile phone, arranging with them to quickly pull together their produce at the right time.

"People use mobiles even when they have to travel a few kilometres from their village to the nearest hill where they can get a signal," says Nathaniel Katinila, coordinator of the AMSDP. "This is a very recent phenomenon that is fundamentally reconfiguring how the traditional market chains are working."

In the villages, the information obtained by *shu shu shus* is often posted on a billboard for the benefit of all.

But it is through the Internet that the success stories about *shu shu shus* have spread among the districts. In 2005, members of the Mufindi district

core group posted a report on the Linking Local Learners website about how *shu shu shus* could improve market access. The concept of the market spy was not new in Tanzania, but the idea of training them in marketing and bargaining skills was an innovation. After being trained, the Mufindi *shu shu shus* helped members of a farmers' group more than double their profits from crop sales.

In Babati, *shu shu shus* are now key members of the market research committees that have been set up in the district to ensure that market information moves quickly to the right people. Stanley Mchome is a member of one of these committees. Other members include representatives of local producer, processor and trader groups. Mobile phones were provided by the Babati district core team to help the committees get and share information quickly. The cost of running the phones is being covered by the profits made when products are sold at the best possible price and time.

But in Babati, as in most other rural areas of Tanzania, a very small proportion of the population own mobile phones. William Swai, a member of the district core team, estimates that only one in five of the 1,000 farmers, processors and traders linked to the AMSDP have direct access to a mobile phone, although the situation is changing rapidly. With only one Internet café in the entire district, far fewer have access to the Internet and e-mail.

It is remarkable that market information gathered by people like Stanley Mchome and the lessons learned by applying it to improve local market chains are making their way onto the Internet. How these stories, questions and observations make their way onto the Linking Local Learners platform would seem tortuous indeed to the average teenage web surfer or MSN chatter in a developed country.

Linking Local Learners: more than a website

Linking Local Learners is more than a website: it is a way of working that combines face-to-face learning in which local groups learn together through experience and discussion, with peer-to-peer learning in which groups share knowledge and experience over the Internet.

In Tanzania, it has put farmers' groups in touch with one another to learn how to improve their access to markets and boost production and incomes. It has also helped farmers' groups communicate directly with existing and prospective customers.

"They learn from each other, face to face in the real world of doing things," says Clive Lightfoot, who managed the First Mile project. "Then they share those experiences with others who are trying to learn the same stuff, often at great distance, via the Internet and mobile phones. We had 14 groups all learning how to gain access to the Internet and then sharing information about their day-to-day-experiences."

The shared experience of participants is archived and accessible to all subscribers to Linking Local Learners at www.linkinglearners.net.

Some farmers' groups have already benefited hugely. One contributor to the Linking Local Learners website related a story of how five farmers' associations in the Songea and Namtumbo districts of Tanzania managed to sell 70 tonnes of maize at a price of US\$143 per tonne from January to mid-February 2006. They achieved this result by using mobile phones, price updates broadcast by radio and dedicated *shu shu shus*, or market spies. In the same period, other farmers' groups without access to the near-real-time market intelligence made available by the project sold their maize for just US\$65 per tonne, or less than half the price.

But Internet use is still very limited in rural areas of developing countries and in Tanzania farmers have benefited from information exchange through the Internet mainly with the support from intermediaries.

"What's been happening through the First Mile is that the district core groups have been communicating with each other on the Internet and learning best practices from each other," Lightfoot



says. "That's where the peer-to-peer learning has really happened. It hasn't happened from farmer group to farmer group."

The district core groups share lessons and best practices with farmers' groups and others throughout the district through mobile phones, face-to-face meetings, village billboards and other channels.

This combination of face-to-face contact with a range of communication tools is very important. It means that information flows quickly from local groups to peers who might be geographically distant. Through the sharing process, new ideas emerge about how to do things, and the local groups then feed the ideas back into the face-to-face learning process.

■ Internet use is still very limited in rural areas of Tanzania, but farmers are sharing and discussing their ideas and good practices through the Linking Local Learners website with the help of intermediaries.

"We have seen how quickly it works," the coordinator of the AMSDP's market linkages component, Vincon Nyimbo, says. "It has taken only six months to develop a best practice through people talking to each other face to face and online."

"Linking Local Learners is a very efficient tool for moving innovation between groups that are geographically far apart," says Nyimbo.

Lightfoot believes the bottlenecks to Internet access will be eliminated over time. The key is to give local farmers and entrepreneurs a reason to learn the skills, invest the resources and take the risk of providing Internet services in remote areas. "If going onto the Internet means you can increase your income and market knowledge, then that will drive people to the Internet," he says.

He believes that more efficient ways to get e-mail and Internet-based information into mobile phone handsets will be the key for enabling farmers to

connect directly with Linking Local Learners.

"Remember, the farmers have access to mobile phones. They can't read e-mails right now, but that's not far away. So the foundations are being laid for a rapid uptake when the technology catches up with us."

The success of this project has been noted well beyond Africa. "During my last visit in northern Tanzania, I was with two Peruvians, a farmer and a head of project, and they were both very interested by what they saw," says Edward Heinemann, IFAD's regional economist for Eastern and Southern Africa. "The idea of farmers learning together in groups developing communities of practice can certainly be successful. But these programmes have to be tailor-made for each country, so as to respond to the specific issues that the farmers there face and to their agenda – be it to improve their agricultural production, to access credit or to market their crops."

Striking bargains for fairer trade: the Magugu rice story

The rice grown in the Magugu area of Babati district is famous in Tanzania for its aroma.

Local farmers have long sold their harvest at regular prices, despite the higher demand for their fragrant rice. But when farmers investigated the market chain for Magugu rice, they found that Shopright, a major supermarket in Dar es Salaam, was specially packaging the rice and selling it at a premium price.

Through the First Mile Project, the farmers started to work with others in the rice market chain to make the chain more efficient.

As their understanding grew about the consumers at the far end of the chain, the farmers began to develop ideas on how to increase the value of the rice and how to keep a larger share of its market price, and in particular about how to eliminate many of the middlepeople that separated them from consumers. The farmers are now exploring how to patent their rice, how to strengthen their bargaining position with the supermarket chain in Dar es

Salaam and how to establish a fairer trade arrangement.

"In the end, with a very efficient chain from producer to consumer, everybody wins," says First Mile Project leader Clive Lightfoot. "In particular, knowledge about prices has been very useful to the rice farmers. It has given them power. But now that they are organizing themselves into much larger groups, using the Babati warehouse to store a much larger amount of produce and

finding out about and negotiating with the big key players, the knowledge turns into money as well as power."

"It also generates a lot of self-confidence," Lightfoot says. "So when the rice producers in Magugu eventually sit around the table with Shopright, it will not be in a position of massive disadvantage at all. They will be considerably more empowered, especially if they have a patent in their back pockets."



■ Stanslaus Njovu is a rice farmer in Gichamedia village, Babati district. He is one of the growers of the local fragrant rice variety who stand to benefit from more direct links with consumers.



■ For Matilda Arnoldi Mushi and many of her fellow villagers in Hai district, near Mt Kilimanjaro, mobile phones are a new and powerful tool in rural marketing that are revolutionizing how they get information.

A revolution in marketing

Better access to markets usually starts with better access to market information. In less than a year farmers associated with the First Mile Project have experienced a virtual revolution in their access to information. Barriers have been broken down as they have started working with processors, traders, transporters and others in the market chain to gather and share information and to develop new and more collaborative marketing arrangements.

Farmers such as Matilda Arnoldi Mushi, of Mungushi village in Hai district, are discovering that being better informed is empowering, especially when negotiating with the other players in the market chain. Mushi is a member of the Amkeni producer group in her village, which receives regular information on markets as far as away as Dar es Salaam. Up-to-date information on prices is especially important to the group.

For Mushi and many other villagers throughout the country, mobile phones are a new and very

powerful tool in rural marketing. The phones are literally revolutionizing how they get information. Suddenly villagers can find out about prices in distant markets far beyond their traditional immediate trading partners. And this significantly increases price transparency along the market chain.

“The use of mobile phones gives us a more precise state of prices,” says Mushi. “We get information on the prices of maize, beans and vegetables from markets in Dar es Salaam. AMDSP has facilitated an officer in the district council with a telephone. He sends the information for us through SMS. Once we receive it, we place it on the village billboard and people go and check it at their own pace.”

Although the number of farmers who own mobile phones is increasing, the billboard remains a crucial tool for ensuring that information reaches everyone in the village. “Not everybody owns a mobile phone,” says Mushi. “And it is not possible

for me to send an SMS to everyone who does have a phone. What we do is put the information on the billboard, where every villager can access it, whether they belong to a farmers' group or not. All groups get information from the billboard."

In her village, information is updated once a week for the central markets. But news comes on a daily basis for local markets. "Phones are the best means of communication," adds Mushi. "People used to travel to Dar es Salaam and back just to find out the prices of goods in the market. But now we just call or send an SMS. People are now selling their products at a profit. Middlemen used to come and offer 10,000 Tanzanian shillings for a sack of maize, and farmers were satisfied with those prices. We are no longer ignorant, and when they come and say 10,000, while in Dar the maize sells for 30,000, we say no. We are now in a position to bargain fairly."

With the advantage of a stronger bargaining position, Mushi has seen a considerable increase in her income over the past year. Married with two children, Elinaike, ten, and Anshaseni, eight, she grows maize, sunflower and beans on her two-acre farm.

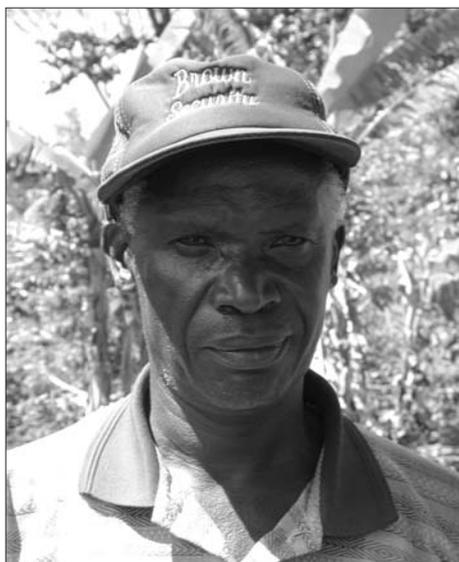


■ Fatuma Juma, far left, sells fruit and vegetables in the Magugu village market in Babati district. She travels hundreds of kilometres to Arusha twice a week to buy the produce, but as yet does not have access to any information about prices or what she will find in the market.

Building trust

Mobile phones and the Internet are opening up significant new opportunities for small farmers in Tanzania, but when it comes to building trust and collaboration, face-to-face communication remains hard to beat. Take Aminiel Mushi, for example. This 65-year-old farmer is chairman of the Muungano producers' group in Magadini village in Hai district, and he is a firm believer in the advantages of sitting down together and talking.

■ Aminiel Mushi, the chairman of a producer group in Magadini village, near Mt Kilimanjaro, is a firm believer in communicating face-to-face, but has started using his wife's mobile phone to talk with group members.



"Group members want me to visit them in their homes – it helps to build trust," Mushi says.

"Sometimes group members use letters and even mobile phones, but I prefer to meet face-to-face."

The coordinator of the AMSDP, Nathaniel Katinila, says that personal contact is still crucial to communication in rural areas of Tanzania. "For rural people, communication is still about building personal relationships. It has to be direct – if you want someone in another area to know something, you go there to see them, or you send someone, perhaps carrying a letter."

But as small farmers like Aminiel Mushi start to use modern communication technologies like mobile phones, and perhaps even the Internet, to share their knowledge, ideas and experience and to build relationships with others in the market chain, the lack of personal contact may mean that fostering trust becomes a challenge.

Katinila is confident it will not be a barrier to success. "I'm optimistic that farmers will continue to meet together and discuss and that mobile phones and the Internet will add value, because they will allow them to share more widely the ideas and issues and questions that emerge from their face-to-



■ Farmers in Wili village near Mt Kilimanjaro are working together in groups that meet regularly to discuss issues of common concern.

face discussions. The Internet will also allow them to get feedback from others like themselves who might live very far away."

Mushi, who insisted only one year ago that he had no use for his wife's mobile phone, has started to see the benefits. "Information is easier, faster, he says. "Instead of looking for someone or writing a letter, you can now talk directly and carry on doing your work, instead of spending time looking for the person."

He even equates making a phone call with meeting someone face to face. "I call you, talk to you and you hear what I have to say," Mushi says. "However, an SMS is something that you write and send, but if the phone is switched off, you will not be able to receive the message until you switch it on again. Now I might be here thinking that you have received the message, while in actual fact you haven't."

Linking use of modern ICTs like mobile phones and the Internet with 'low-tech' communication channels like face-to-face meetings and village billboards has been one of the keys to the success of Linking Local Learners. Trust and collaboration grow when people can meet, discuss and learn together. However, when these same people use technologies like the Internet to exchange ideas and learning with peers who are often far away, they have been able to come up with more innovative ideas.

"What seems to be emerging is that the innovative capacity of farmers and service provider groups is actually enhanced when they can exchange information with peers living far away from them," says First Mile Project leader Clive Lightfoot. "It seems that the diversity of situations and the fact that many heads are focusing on a common challenge or problem leads to innovative solutions."

Contacts

Ides DeWillebois
Director, Eastern and Southern
Africa Division
IFAD
E-mail: i.dewillebois@ifad.org

Samuel Eremie
Country programme manager,
Tanzania
IFAD
E-mail: s.eremie@ifad.org

Clive Lightfoot
Leader, First Mile Project
Executive director, International
Support Group
E-mail:
clive.lightfoot@linkinglearners.net

Nathaniel Katinila
Coordinator, Agricultural Marketing
Systems Development Programme,
Tanzania
E-mail: amsdp@cybernet.co.tz

Helen Gillman
Editorial services manager
IFAD
E-mail: h.gillman@ifad.org

Links

First Mile Project
[http://www.ifad.org/rural/firstmile/
index.htm](http://www.ifad.org/rural/firstmile/index.htm)

Linking Local Learners
<http://www.linkinglearners.net/>

IFAD in Tanzania
[http://www.ifad.org/english/
operations/pf/tz/index.htm](http://www.ifad.org/english/operations/pf/tz/index.htm)



■ Benson Juma, of Arusha, travels to markets in various districts to sell used clothes. Using his mobile phone to keep in contact with wholesalers in Arusha, he can organize shipments and pay on delivery.

Mobile phones contribute to market transparency

Access to the right information at the right time can make a dramatic difference in how much farmers earn when they sell their crops. In Uporoto in Mbeya district, potato farmers managed to increase their earnings by up to 150 per cent simply by using their mobile phones to get up-to-date prices from Dar es Salaam.

The farmers had long been exploited by truck drivers who passed by Uporoto to fill up their trucks with cheap potatoes on their return from hauling goods from Dar es Salaam to Malawi. With the arrival of mobile phones in the area, farmers were able to call friends at Kariako market in Dar es Salaam and learn the real market price for potatoes. They then went a step further and made contact with potential buyers in Dar es Salaam, using their mobiles once again to make deals to sell directly at more favourable prices.

When the truck drivers returned, they had to choose between taking payment for transport costs only – or going home with empty trucks.



Enabling the rural poor
to overcome poverty

Via del Serafico, 107 – 00142 Rome, Italy
Tel.: +39 06 54591 – Fax: +39 06 5043463
E-mail: ifad@ifad.org – www.ifad.org