

Office

# Learning from

# **Catalysts of Rural Transformation**



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Loretta de Luca, Hélène Sahy, Saba Joshi, Mayra Cortés

International Labour Office

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## **PREFACE**

Rural development, the creation of more and better jobs leading to higher living standards in rural areas, is a pressing need and high priority in many countries. This is a formidable challenge requiring the alignment of a number of enabling factors, as well as innovations in organizational and social arrangements to succeed. Indeed, across the globe, there are numerous innovative and dynamic individuals and organizations bringing together the efforts of individuals, enterprises, NGOs, unions, and others, and operating under supportive policies and institutions. They are transforming rural settings, seizing opportunities for growth and creating decent and productive work.

This publication reviews 8 such "Catalysts" of rural transformation from different countries. It extracts lessons from their accomplishments, and from how they address the challenges and take advantage of the opportunities encountered on their journey. It also points out to policy makers and development practitioners the type and timing of support that can amplify Catalysts' work the most, and is thus the most effective.

This publication reminds us of the economic and development potential of rural areas and, most important, the central role of rural men and women, young people, indigenous populations and other groups to unleash that potential.

This publication does not intend to be a piece of advanced academic research. Rather, it privileges an approach that focuses on the individuals behind a particular story, to grasp the background, motivating forces and strategies of the "Catalysts". It is meant to put the readers in direct contact with the protagonists of the stories, as in a conversation, and create a sense of immediacy and proximity. The key message is that the determination and creativity of people, with basic and well-focused external support, can overcome innumerable rural challenges and transform rural economies and societies.

The examples of the catalysts in this publication contain valuable lessons on success factors for rural transformations based on decent work creation.

We are grateful to ILO rural focal points at Headquarters and in field offices, who have helped select some cases and establish contacts with key informants. We also acknowledge the contribution of Tu Chi Nguyen to the development of the initial research design; and Léa Breton and Marian Fernando's editing assistance. Thanks are also due to members of the Masters in Development Studies programme at the Graduate Institute of International and Development Studies, Geneva, who participated in this endeavour, in particular Professor Christophe Gironde and Karen Saez.

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# **List of acronyms**

**AED:** Academy for Educational Development

**ADF:** African Development Foundation

**ACP:** African, Caribbean and Pacific Group of States

**BDS:** Business Development Services

**BDMSA:** Banaskantha DWCRA Mahila SEWA Association

**CONTAG:** Confederação Nacional de Trabaladores na Agricultura

(National Confederation of Labourers in Agriculture)

**COOPERHAF:** Cooperativa de Habitação dos Agricultores Familiares

(Housing Cooperative for Family Farmers)

CTA: Technical Centre for Agricultural and Rural Cooperation EU-ACP

CUT: Central Unica dos Trabalhores (Unified Workers Central)

DWCRA: Development of Women and Children in Rural Areas

**ECOWAS:** Economic Community of West African States

**EHFN:** Eco-Health Farm Network

ELECTROGAZ: National Electricity Company of Rwanda

**EU:** European Union

**FAF:** Federação da Agricultura Familiar (Federation of Family Farming)

**FAO:** Food and Agriculture Organization

FETRAF-SUL: Federação dos Trabalhadores e Trabalhadoras na Agricultura Familiar Na

Região Sul (Federation of Men and Women Family Farming Workers of the

Southern Region)

FETRAF- Brasil: Federação Nacional dos Trabalhadores e Trabalhadoras na Agricultura

Familiar (The National Federation of Men and Women Family Farming Workers)

**FLO:** Fairtrade Labelling Organization

**GDP:** Gross Domestic Product

**GMO:** Genetically Modified Organism

**ICT:** Information and Communication Technologies

ICS: Internal Control System

**IFAD:** International Fund for Agricultural Development

**IFED:** Institut de Formation des Entrepreneurs en Développement

(Training Institute for Development Entrepreneurs)

**IFOAM**: International Federation of Organic Agriculture Movement

IMF: International Monetary FundIMO: Institute for Marketecology

**KNACT:** Knowledge Network of Community Telecentres

LBLA: Latvian Organic Agriculture Association
MDA: Ministry of Agrarian Development

MINAGRI: Rwandan Ministry of Agriculture and Animal Resources

**MSF:** Médecins sans Frontières

**MSME:** Micro, Small and Medium Enterprise

**MST:** Movimento dos Trabalhadores Sem Terra

(Landless Workers Movement)

**MTC:** Community Multipurpose Telecentres

NICI: National Information and Communication Infrastructure

NGO: Non-Governmental Organization
oPt: occupied Palestinian territories
PFTA: Palestine Fair Trade Association

**PGPAF:** Programa de Garantia de Preços para Agricultura Familiar

(Programme of Price Guarantee to Family-Based Agriculture)

**PhD:** Doctor of Philosophy

**PNCF:** Programa Nacional de Crédito Fundiário

(National Land Tenure Credit Programme)

**PNHR:** Programa Nacional de Habitação Rural (National Programme for Rural Housing)

**PRONERA:** Programa Nacional de Educação na Reforma Agrária

(National Programme for Education and Agrarian Reform)

**PRONAF:** Programa Nacional de Fortalecimento da Agricultura Familiar

(National Programme for Strengthening Family Farming)

**PROVAP:** Programa de Valorização da Pequena Produção Rural

(Programme for the Enhancement of Small Rural Production)

RDB: Rwanda Development Board RTN: Rwanda Telecentre Network

**RUDI:** Rural Urban Distribution Initiative (Network and Multi-brand Company)

**SEWA:** Self Employed Women's Association

**SHGs:** Self-Help Groups

**SGMH:** SEWA Gram Mahila Haat (Village Women's Market)

SMS: SEWA Managers' School

**SINTRAF:** Sindicatos dos Trabalhadores na Agricultura Familiar

(Family Farming Workers' Unions)

STFC: SEWA Trade Facilitation Centre
SWDC: Stung Treng Development Centre

**TLA:** Textile Labour Association

**UNDP:** United Nations Development Programme

**UNECA:** United Nations Economic Commission for Africa

**UNESCO:** United Nations Educational, Scientific and Cultural Organization

**UNICEF:** United Nations Children's Fund

UNIDO: United Nations Industrial Development Organization

**USAID:** U.S. Agency for International Development

**USD:** United States Dollar

**WFPR:** Work Force Participation Rate





# **Chapter 1: Introduction**

# **Chapter 1: Introduction**

### 1.1 Objective of the review

Rural areas have considerable untapped potential. Their vast natural resources and human capital can be developed and used more effectively to boost rural growth and development, attract investment, and create productive and attractive jobs with high returns for individuals and their communities.

Worldwide, numerous dynamic individuals, enterprises, associations, institutions, and policies have transformed rural settings by achieving major qualitative changes that have stimulated economic and social advancement, and the creation of more and better employment, thus acting as decent work-based "Catalysts of rural transformation".

The ILO has analysed a number of such Catalysts in-depth, to understand how they were created and have evolved; how they have been seizing opportunities and tackling challenges; and what types of support could increase their positive impact on rural transformation.

The key objectives of this analysis have been to:

- Identify Catalysts of rural transformation;
- Develop a methodology to analyse Catalysts;
- Understand their functioning, evolution, key elements of success, and challenges faced;
- Widely disseminate their examples, as good practice and lessons learned;
- Raise awareness about the existence of these dynamic rural actors, and about their potential and that of rural areas;
- Formulate key elements of a support framework for Catalysts that national decision-makers, the development community and other practitioners can use to guide their work.

This publication presents the key results and lessons learned from 8 particularly rich cases.



### 1.2 Key definitions

#### **Box 1: Definitions**

#### What is decent work-based rural transformation?

Major socio-economic changes in rural contexts towards more innovative, higher-return and better performing enterprises; greater and more qualified employment opportunities; better incomes, working conditions and social protection; stronger employers' and workers' organizations and social dialogue; and towards making these opportunities broadly accessible, especially to high-potential but disfavoured groups such as women, youth, minorities, and persons with disabilities.

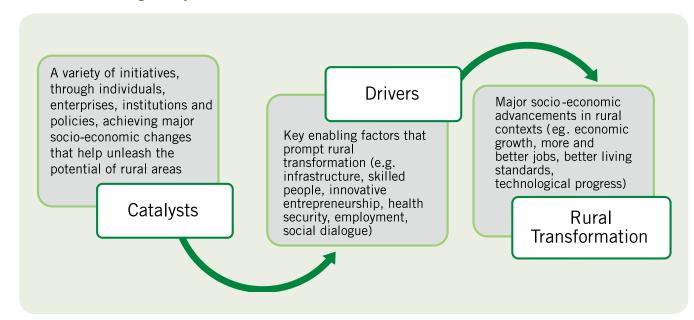
#### What are "Catalysts of rural transformation"?

A variety of initiatives, through individuals and enterprises (micro-level), associations and programmes (meso-level), institutions and policies (macro-level), achieving major socio-economic changes that help unleash the potential of the rural areas where they operate.

#### How do Catalysts stimulate rural transformation?

Catalysts are specific initiatives that contribute to one or more "drivers of rural transformation". These drivers are key enabling factors that prompt rural changes, and include: economic growth; innovative entrepreneurship; infrastructure; finance; basic social and economic services; human and social capital; respect of workers' rights, adequate working conditions and social coverage; and effective local governance, dialogue and institutions.

#### **Box 2: Linking Catalysts to Rural Transformation**



## 1.3 Methodology

#### Case selection

The cases analysed have been selected based on the size and scope of their impact, and their capacity to bring about meaningful social, economic and political changes in the rural areas where they operate. Attention was also paid to provide a balanced coverage of geographical regions, types of actors, sectors and disadvantaged groups targeted by Catalysts.

Cases were selected by the ILO's Rural Employment and Decent Work Programme in Geneva, with the assistance of rural focal points in ILO field offices worldwide. The Catalysts retained in this initiative are "endogenous", in the sense that they originate from the rural area or country where they operate, rather than stemming from external projects (e.g., from an international agency or NGO).

#### **Review process**

Each case was initially reviewed using a number of secondary sources, particularly websites, reports, publications, and information from contacts. Interviews with the representatives or founders and, wherever possible, with beneficiaries of the Catalysts, were then conducted to check facts and obtain complementary information.



Box 3: Geographic Location of the 8 Catalysts Reviewed



#### 1.4 Structure and overview of the 8 cases

This report is composed of a detailed case-study for 8 Catalysts (Chapters 2-9) and a synthesis on the findings and general lessons from the cases analysed (Chapter 10).

The analysis and lessons learned cover key features of the catalysts' founders; the rural transformation achieved; opportunities seized and challenges tackled in creating, expanding, and ensuring long-term success; and finally, of how best to support catalysts.

- The Eco-Health Farm Network (EHFN), in Latvia, is a Non-Governmental Organization (NGO) for small-scale organic farmers engaged in eco-tourism and the production and sale of healthy goods and services. It aims to improve the health and natural environment of local communities and international visitors. EHFN provides a number of products and services to farm visitors, and conducts seminars and practical trainings on various themes related to farming, health and nature, using its knowledge-sharing network. Founded in 2006, it has 70 members across the country, many of whose farms welcome over 1,000 guests a year.
- The Federation of Men and Women Family Farming Workers (FETRAF), in Brazil, is a trade union for family farmers that works to improve their products and services, along with their living and working conditions, by setting up cooperatives, providing its members with technical support and social security services, and advocating policy change at the national level to support small farming. Set up in 2004, today it represents over 500,000 family farmers¹ across 18 states in Brazil and has significant influence on policy-making in the country.
- La Chetina, in Peru, established in 2007 by a woman belonging to the indigenous Quechua community, it began as a micro-enterprise of 6 people producing and selling agricultural-based products. Today it has 3 stores in the Chachapoyas province of Peru, generates employment for over 50 local farmers who provide agricultural input for its production process, and successfully promotes the consumption of local products that are also sold in other provinces.
- The Nyamata Telecentre and Rwanda Telecentre Network (RTN), in Rwanda, are, respectively, an enterprise with 25 employees in one village, and an NGO with 140 members across the country.² They empower rural communities through Information and Communication Technologies (ICTs). The Nyamata Telecentre, launched in 2004, is a hub for information, products and services for the local population, businesses and government in the Nyamata area; while the Network, launched in 2006, creates and supports rural telecentres across Rwanda.
- The Palestine Fair Trade Association (PFTA), in the occupied Palestinian territories (oPt), is a producers' union that empowers local farmers through training that enables them to be certified in fair trade and organic farming and handicrafts, and facilitates their access to international markets. Created in 2004, PFTA now represents 1,700 farmers organized in about 50 cooperatives, and is the largest fair trade producers' union in Palestine.

<sup>1</sup> FETRAF-Brasil: Who are we?, brochure.

<sup>2</sup> Paul Barera, interview, 20 August 2012.

#### **Chapter 1: Introduction**

- The Self-Employed Women's Association (SEWA), in India, is a trade union and a movement that has organized 1.75 million self-employed women, 66 per cent of whom are from rural areas. It helps them achieve productive employment and self-reliance through collective action and cooperation, while providing them with key services, such as savings and credit, health care, child care, insurance, legal aid, capacity building and communication services. Launched in 1972, in Gujarat, SEWA has now spread to 12 other states in India.
- Songhaï, in Benin, is an NGO that started in 1985 with minimal resources. Today it encompasses training, production, and research centres specialized in integrated environmentally and economically sustainable agriculture and processing activities. Its 1500 employees train more than 700 people per year in 6 centres across Benin and 11 in Nigeria,³ to enable them and their communities to reach self-reliance by building their capacities to become innovative entrepreneurs.
- Stung Treng Women's Development Centre (SWDC), in Cambodia, is an NGO established in 2002 that develops skills and decent livelihoods for disadvantaged women in the North East province of Stung Treng. It is the founder of a successful silk production and weaving enterprise called "Mekong Blue", whose products are marketed internationally, and currently employs 80 people, most of whom are women.



<sup>3</sup> Songhaï: "Songhaï et ses réalisations", Presentation document, 2013.



## 1.5 Lessons for effective support

Concerning the most effective types of support, this analysis suggests that governments, the development community, and other stakeholders can best support catalysts by:

- Easing their access to economic infrastructure (e.g., electricity, roads, ICTs), at low cost;
- Ensuring their access to social infrastructure (e.g., healthcare, childcare, insurance) and to decent working conditions;
- Promoting and disseminating their products and services, to increase their returns, and those of their beneficiaries and clients;
- Promoting and disseminating their approach, to encourage their recognition at local, national and international levels, thus ensuring community-based, institutional, and broader support;
- Facilitating the creation of information- and knowledge-sharing networks for and with their beneficiaries, peers, partners and authorities;
- Enabling them to reach authorities, and to impact decision-making.