

India

ICT for Small Enterprise Capacity Building



In India the majority of the rural poor are engaged in agriculture and agribusiness activities. An estimated 545 million people are dependent on agriculture, including approximately 110 million farmers who cultivate the largest arable landmass of any country in the world.

Micro and small enterprises make up nearly 80 percent of the total number of landholdings cultivated. These small farms are not organized into associations or networks and are hampered by traditional agricultural practices and policies that do not favor private sector initiative. To change this and empower smallholders to increase their incomes and compete in local and regional markets, ACIDI/VOCA is applying a value chain approach to the development of sustainable and scalable models for facilitating the growth of micro and small enterprises.

In September 2006 ACIDI/VOCA received a \$750,000, USAID-funded Implementation Grant Proposal (IGP) award to develop information and communications technology (ICT)-enabled

ACIDI/VOCA integrates Indian farmers into commercial supply chains.

applications for improving private sector training service delivery and fresh-produce supply chain management in India. The main project objectives of the program are to integrate large numbers of smallholder horticulture farmers into organized commercial supply chains and facilitate mutually beneficial partnerships between smallholder farmers and major organized retail, wholesale, processor and export buyers while increasing smallholder farm family income.

The IGP award is based primarily on the achievements of ACIDI/VOCA's \$6.3 million India Growth-oriented Microenterprise Development Program (GMED). GMED integrates smallholder vegetable and fruit farmers into organized retail supply chains, greatly improving the operations of these chains. However, efficiency continues to be hampered by the lack of a system for fully integrating wholesale and retail outlets, input supply providers and individual farmers. IGP seeks to create such a system.

The IGP program develops ICT-enabled applications to improve the efficiency of private sector extension services and fresh-produce supply-chain management in India. As the GMED program integrates smallholder vegetable and fruit farmers into organized retail supply chains, the IGP applications will help fresh-produce value chains function effectively and offer significant improvements in the operations of these chains.



Project Profile

Managing the timely delivery of fresh produce from a large and scattered production base is a complex operation. In order to mitigate these complexities, the IGP applications will facilitate a system that fully integrates the wholesale/retail outlets, input supply providers, and the individual farmers—all members of the fresh-produce supply chain.

The IGP program will provide wireless software applications that are accessible on handheld devices, enabling extension agents to access information for vegetable and fruit farmers. Other supply-chain participants will also be able to monitor and control both back- and front-end supply-chain functions. Thus, the IGP applications will coordinate all the elements required to ensure the timely delivery of the required volume and quality of fresh vegetables and fruit to wholesale and retail sales outlets. The system will minimize inventory requirements, reduce waste and allow both the production sponsor and the farmer to realize additional value.

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