

TecAp: Supporting Women in Nicaragua through Microfranchising

The Institute for Development, Evaluation, Assistance and Solutions (IDEAS) is proud to report on its innovative technology program, called TecAp, which assists women in rural Nicaragua to become microfranchisees. These rural women sell solar-powered products and promote larger systems of solar energy and labor saving technologies to their neighbors. This has succeeded in improving their incomes and their neighbors' quality of life in their fair trade coffee cooperatives.

The first group of rural women began receiving training from IDEAS in June 2011 on how to be a part of the microfranchise that TecAp is developing in order to be able to sell small solar powered articles, like flashlights and lanterns. In the first pilot project, the women were selected by their cooperative on the northern border of Nicaragua.

Microfranchising is a system of support to women microentrepreneurs

This business model allows for quick start up and on-going support to nascent businesses. In this case, IDEAS is the microfranchisor and TecAp is the microfranchise, which is providing rural women a whole new system of business opportunity that includes the training, products and technical assistance to jump start them into a new technology business. Microfranchising began in Asia, spread to Africa but is little known in Latin America.



IDEAS has created the first one in Nicaragua. IDEAS is currently recruiting and training women promoters, who educate their neighbors about the benefits of solar energy. Women who become "microfranchisees" earn a commission by selling small innovative, solar-powered items (flashlights; a lantern for the kitchen; lamps for student; light for the house or barn; cell phone chargers). As the neighbors realize the usefulness of smaller solar items they bought in cash, the promoters encourage their neighbors to consider larger, long term investments in roof-top solar panels or other labor-saving technologies. The program design is based upon women first learning to sell small solar items and then moving on to large roof-top systems to power homes or farm activities. Based upon the initial success, IDEAS is seeking donations to support a greatly expanded regional pilot phase in 2012-3 and test a business model it hopes will be sustainable.

Emboldened by the initial success of the model, IDEAS has borrowed \$100,000 to buy and import five shipments of these small items that are to be sold to these women microfranchisees and coop stores. Starting in April 2012, the sale of the 9,025 products will provide significant income to low-income women microfranchisees that live in rural areas without electricity.

Solar energy has been proven to greatly assist rural women and their families

High quality coffee is grown in the mountains, often far away from the national electrical grid. Low income women and their families who have bought solar systems found three major types of benefits. 1) Benefits to the family: Family health improves by replacing kerosene lamps that produce toxic pollution and soot in their house. It allows the family to study at night and makes household tasks and



care of the sick easier. New electric appliances, like blenders, save labor and time. 2) It saves the family money each month on batteries, fuel & long trips to charge cell phones. These savings can be used for better nutrition. 3) Solar helps women generate money in their microenterprises. Women who have home-based grocery stores say that neighbors are attracted to their stores at night. Some may come in to watch a show on the new solar-powered TV and end up buying their food there. Solar energy can pump water for the house, animals and to irrigate crops. This allows women to diversify their sources of income. For the poor, saving money and increasing income create a higher quality of life and provide more choices.



IDEAS solves a financial problem so the poor can purchase roof-top systems

One of the biggest obstacles for a low income coffee producer to buy a roof-top solar system is obviously the cost. IDEAS partnership with the coffee cooperatives and fair trade coffee companies has allowed the farmers to obtain longer term financing with payments that are compatible with the coffee growing season. For example, Root Capital agreed to consider the coffee coops' request for 3 year loans so the coops can drop the payment amount for roof-top solar systems. The first success of this system was 50 systems that were installed in July 2010. Root Capital lent for 3 years to the coop, which in turn has lent for 3 years to its members. TecAp has worked to repeat this with other fair trade coffee coops. IDEAS repeated its success with another international lender by assisting Oikocredit to make its first \$100,000 loan to solar energy for farmers in the "Cooperativa 20 de Abril" in Nicaragua.

IDEAS has also worked with municipal governments to help identify the technical specifications of what low income citizens need in terms of roof-top systems. In October 2011, 19 poor residents of El Jicarao received solar roof top systems after several months of organizing by TecAp. El Jicarao is the headquarters of two different coffee cooperatives, Prococer and Santiago. Also, IDEAS has worked hard to establish the technical need and assist with the process of 119 producers who have requested loans for solar systems through a network of coffee coops called PRODECOOP.

IDEAS has received funds to train a set of "micro-technicians," who are other women and youth to be trained formally in how to diagnose the size, install & repair the solar roof-top systems, thus providing them new employment. The cooperatives are excited about youth being able to sell their services in a high tech field without leaving the coffee communities. The course will be held in the second half of 2012. Complementary donations to assist with course costs are needed.



TecAp is working with some coops on the feasibility of using solar energy to light the patios and offices of their dry processing plants. TecAp also brokered a study of a hydroelectric system for a dry processing plant that will provide enough power to run some of the machinery.

Initial supporters of the TecAp program include: Bancker-Williams Foundation (3 grants), Full Circle Living, The Jim and Patty Rouse Charitable Foundation, Fund for Southern Communities, IEEE Foundation, Equal Exchange, Green Mountain Coffee, individual donors, and numerous volunteers in the US and in Nicaragua.



Tax-exempt Donations are needed. IDEAS is a non-profit that can receive tax-exempt donations mailed to 1702 Dancing Fox Road, Decatur, GA 30032 or through the Network for the Common Good button on the first page of our website (www.ideasnet.org/index00.htm). Contact: Carter Garber, Exec. Director of IDEAS at 404/378-7544; cgarber@ideasnet.org