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## FAUNO Consortium – Employment and Income Division

8<sup>th</sup> Annual Seminar on  
Developing Business Service Markets and Value Chains

24<sup>th</sup> September 2007, Chiang Mai, Thailand

# The wider impact of developing FM radio in Uganda

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The Springfield Centre



## Objectives

- Present background on series of interventions to stimulate radio
  - Rationale
  - Project
  - Approach
- Outline key impacts from recent impact assessment – through summary cases (3)
- Conclusions and implications for agencies

What's different in relation to "conventional" approaches?



SDC-supported study

*The role and impact of radio in reforming the rural business environment*



## The project

- Initial pilot in 1999 with four radio stations implemented by FIT Uganda (a company founded with support from ILO and OED) with direct funding from IDRC and EU.
- Expanded and continued to 2007 – an ILO project funded by various donors (Govt. of Netherlands, Sida, DFID EDIF)
- Objective: address the information constraints faced by (especially rural-based) MSEs stimulate commercial radio as a large-scale and sustainable business service
- Nature of support: series of interventions aimed at
  - programme and capacity development and
  - supporting market functions (market research, advertising, information etc)



## Rationale – addressing the critical information constraint

*Important for business start-up and development*

*Voice and advocacy central to reform processes*

Disproportionate impact on

Poor

MSEs

**Information in the economy**

Effective

Inclusive

*Key reason for under-performance of market systems*

*Vital for improved political and economic governance*



## Why radio?

- The complexity of language: 37 languages and one official language
- Weak reading culture and ability: 56% literacy rate
- Limited reach of print media: read by 5.5% of the population
- Limited ownership of television: 6%

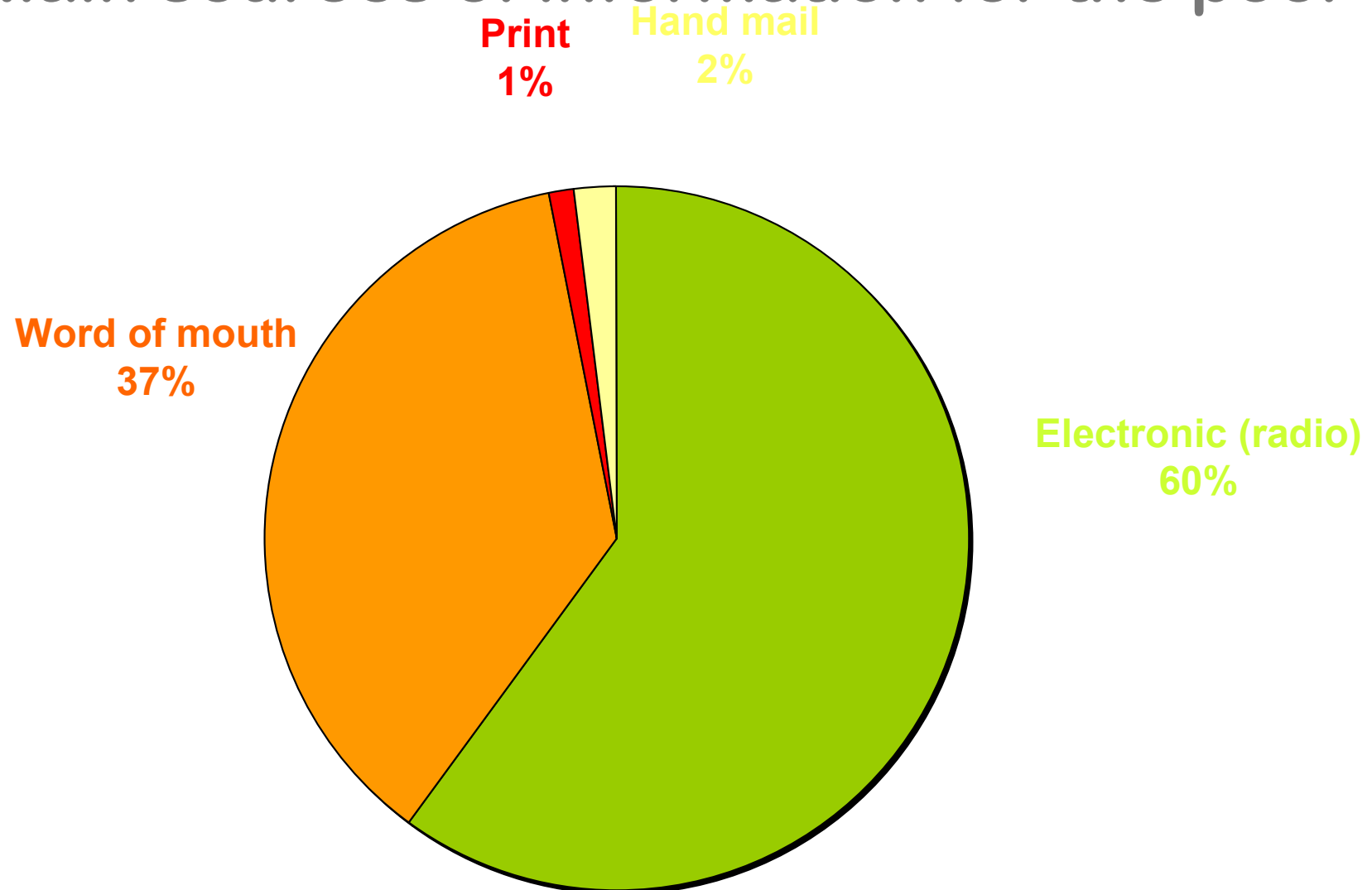
### Radio as the mass information provider

**> 90% listenership**

**Liberalised – 100 + radio  
stations**



# Main sources of information for the poor



Source: Uganda national household survey 2002/2003



## Differences in the approach

### Conventional

“Developmental”  
programming

Buy air time

Media as a means to an  
end

Donor-led messages

Impact – “one-off”  
change

Phase 1 – work with (small number  
of) industry leaders to develop and  
prove popularity of small business  
programming



Phase 2 – encouraging crowding in  
and replication of other radio  
stations



Phase 3 – improving programming  
quality by addressing key  
constraints such as access to  
information and research

### Market development

“Informative”  
programming as part of  
mainstream broadcasting

Technical assistance

Develop radio as a  
business service market

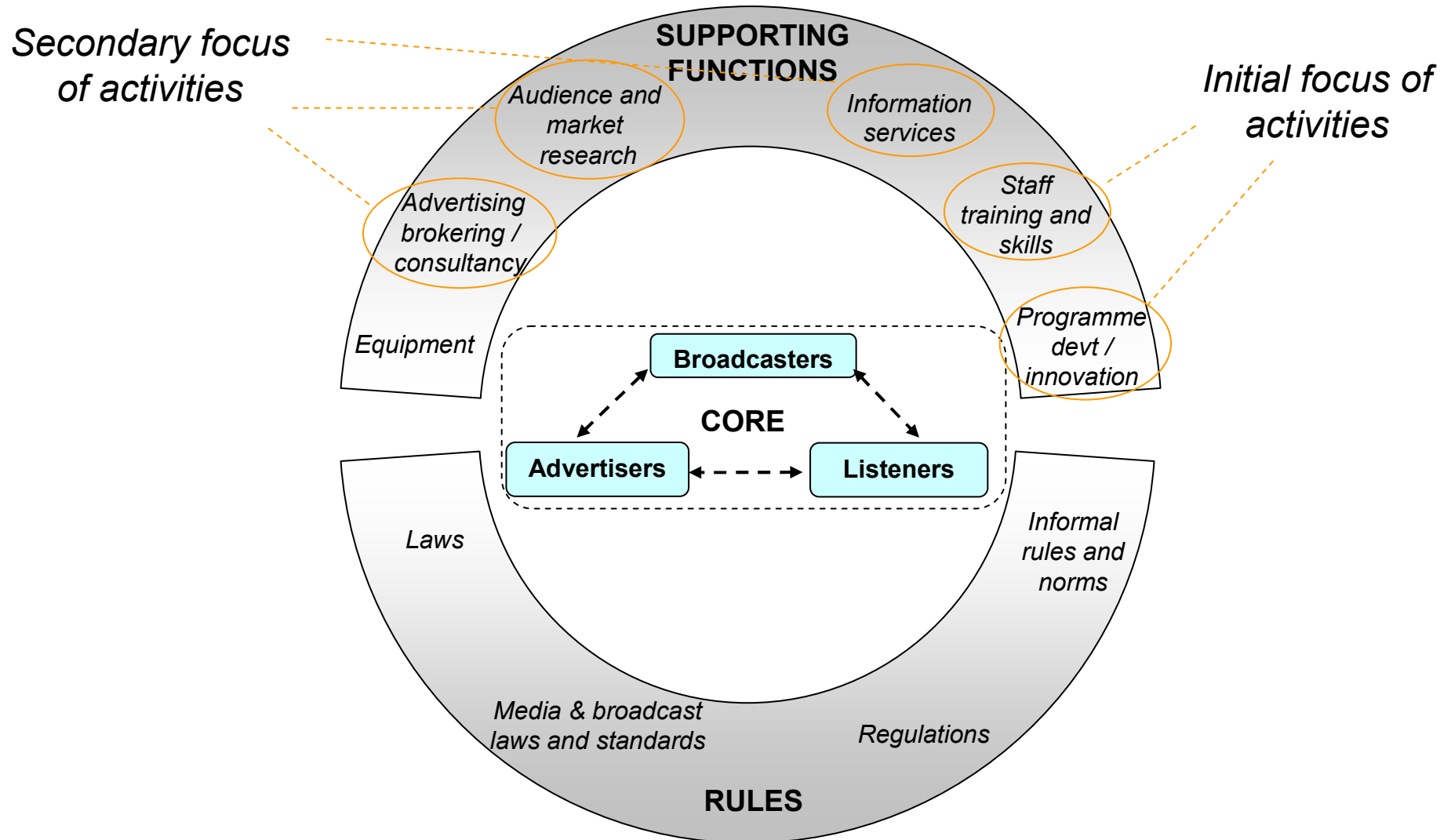
Audience-led messages

Building sustainability –  
capacity and incentives –  
for continuing change



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# Key intervention areas in the radio market system





## Objectives

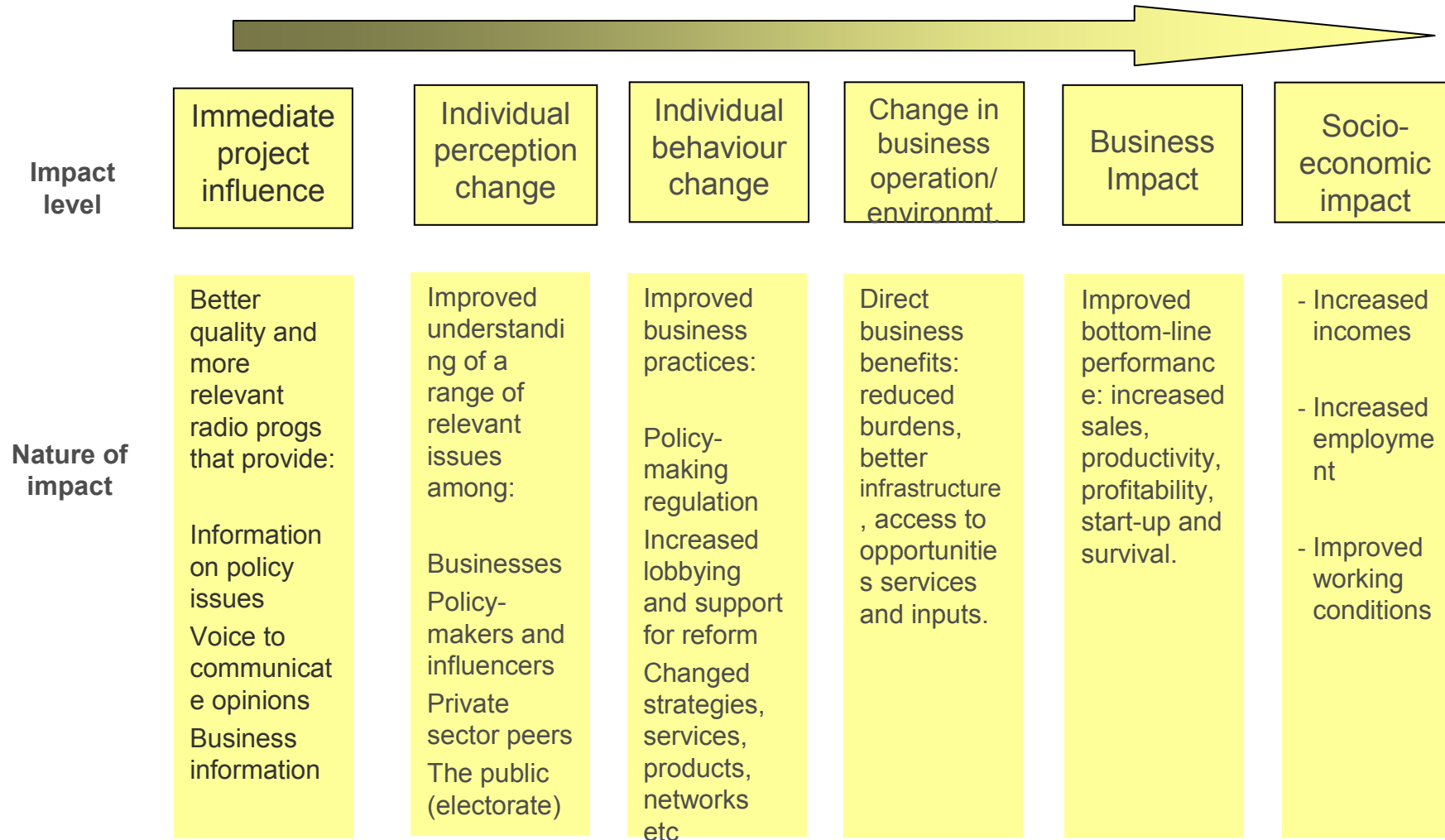
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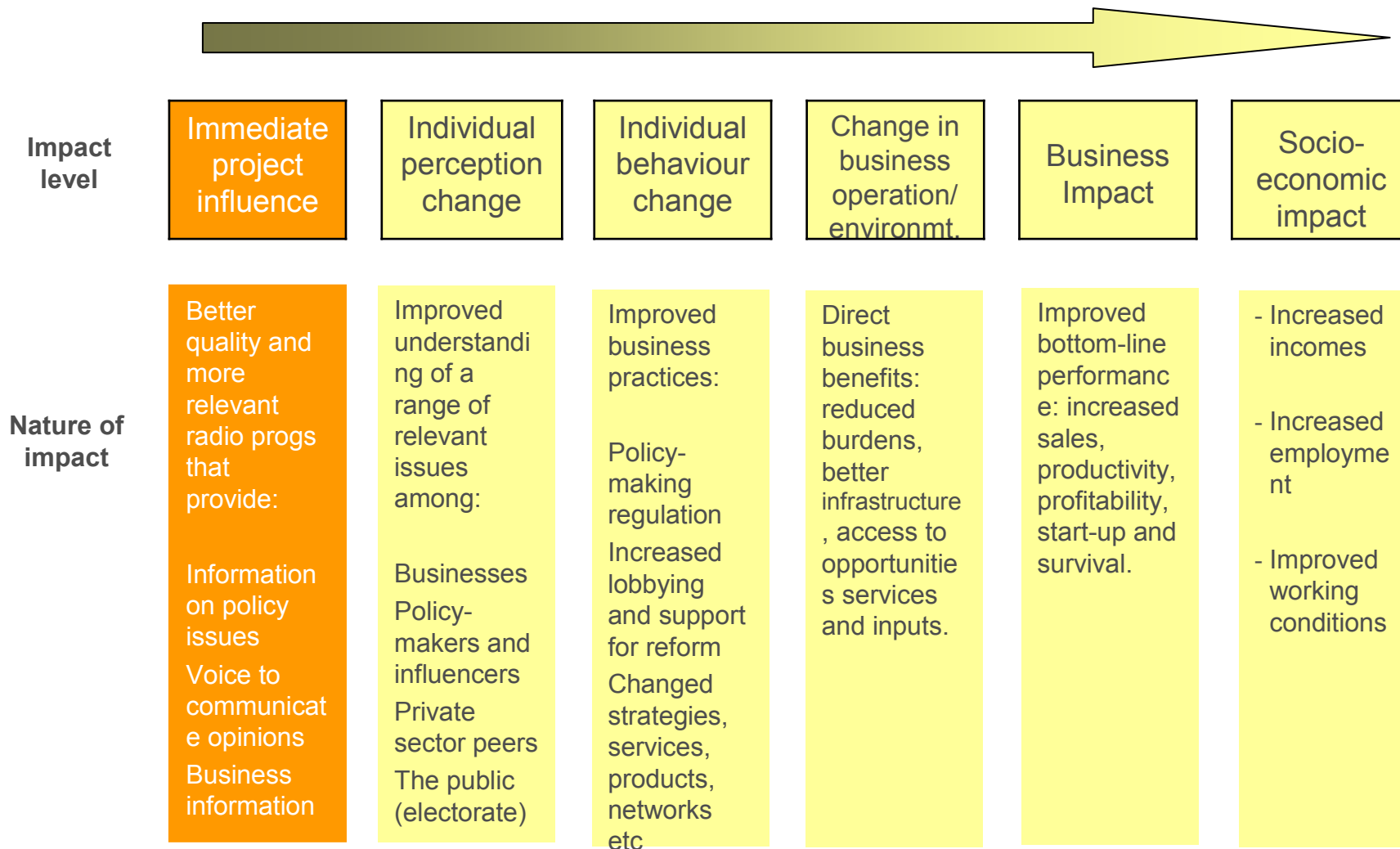
# Chain of causality





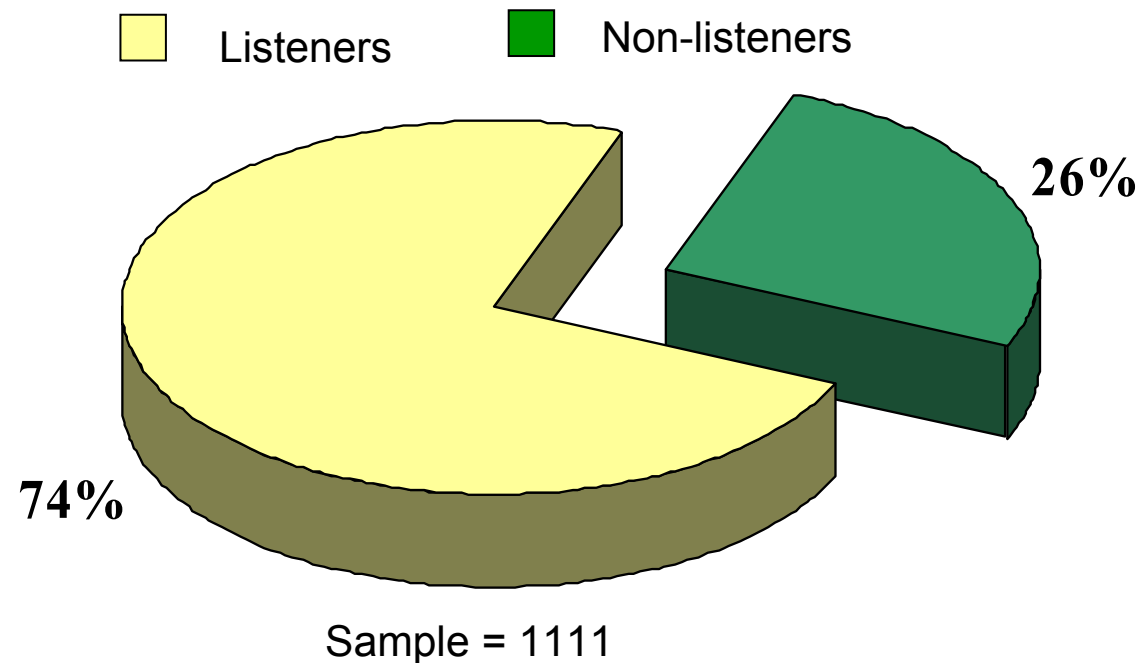
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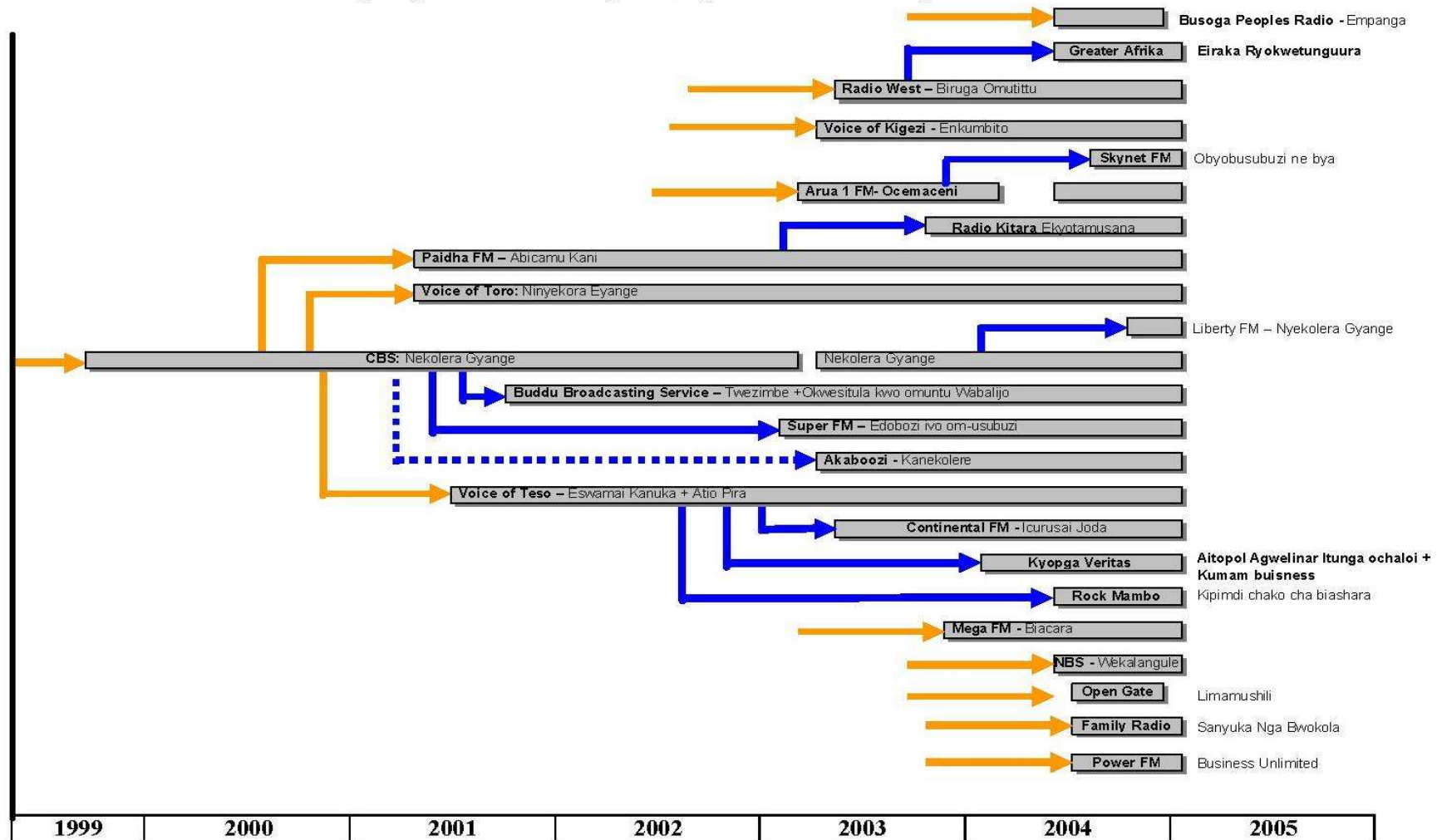
## Listenership to business programmes



- 74% of those interviewed had listened to one of the small business radio programmes at least 4 times in the last 16 weeks.
- This translates into 6,995,000 adult listeners to business programmes across Uganda.

# Growth of radio programmes for small businesses in Uganda

Growth of MSE radio programmes in Uganda (December 2004)



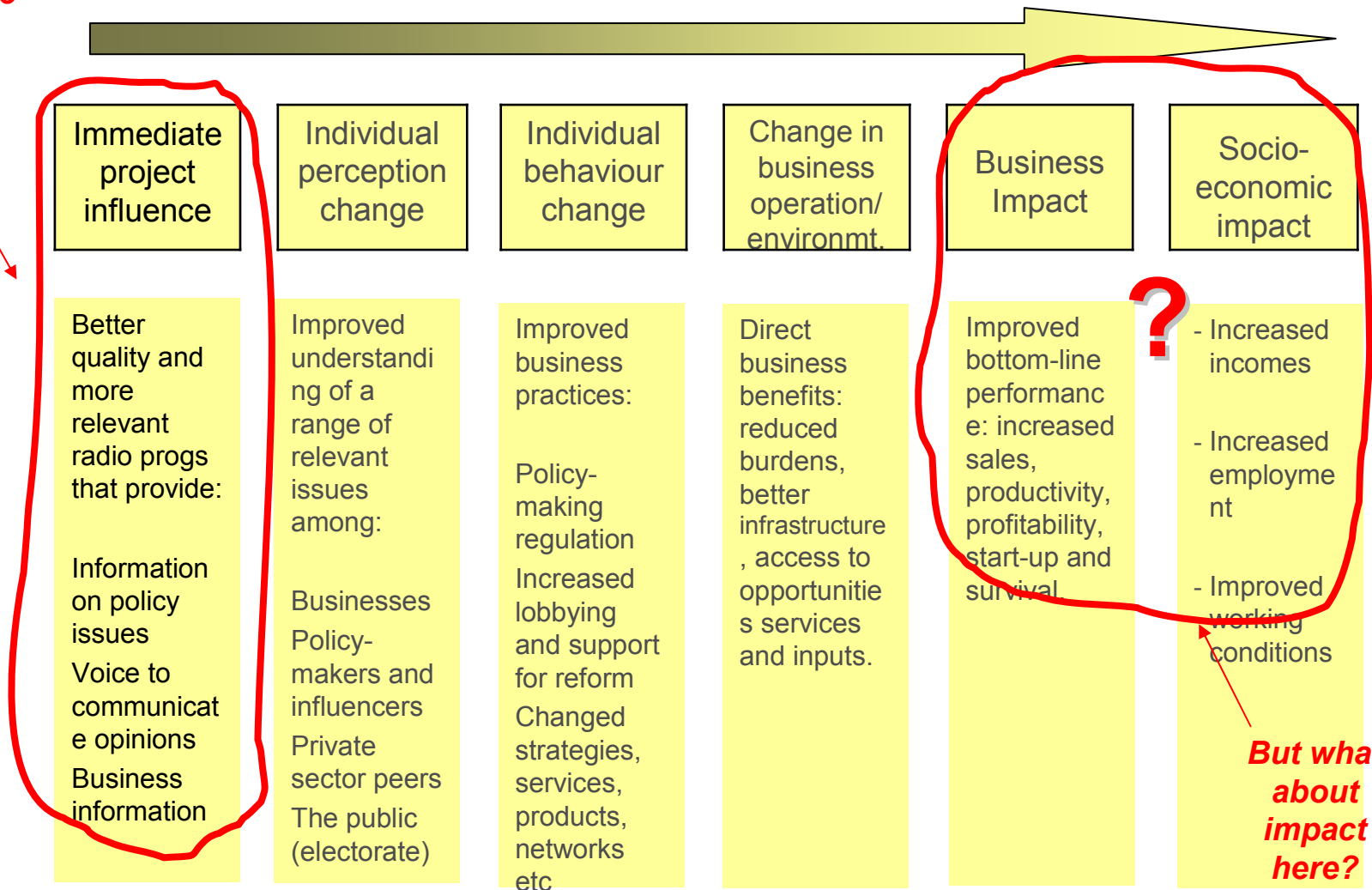
**Key:** Directly supported by ILO → Copycat without support → Likely but unproven influence →



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**Evidence  
of  
extensive  
impact  
here**

# Chain of causality





## Three case studies on impact

- **Addressing the exploitation of farmers**
- **Protecting market traders**
- **Empowering women stone-crushers**

Indicative of type of change stimulated – others could have been cited

Sustainability – more examples of change continuing to happen



## Case 1: Addressing the exploitation of farmers

- Over 30,000 tobacco farmers growing for an international tobacco company (BAT).
- Making on average \$60 -100 per crop
- They should have been making \$500- 800

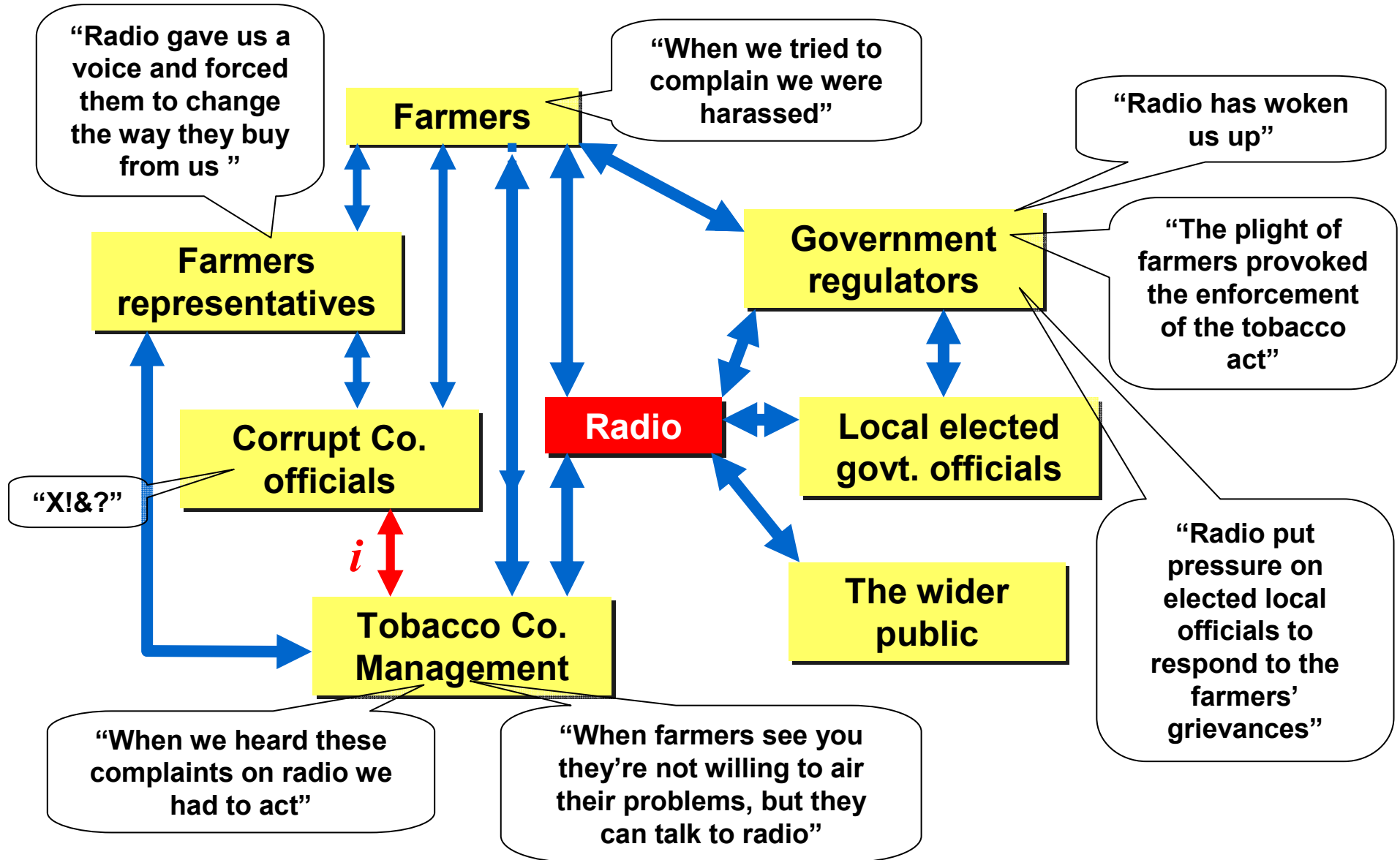
### Why?

- 100 buyers and graders were stealing the profits of the farmers
  - deliberately mis-grading the crops
  - fraudulent weighing of crops
  - exaggerating the inputs provided by the company
  - over-charging for inputs
- In one case a buyer owned a new 4WD vehicle and was building a house in the rich suburbs of Kampala while farmers struggled to make a living.





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## **What did farmers need?**

- Channel to voice their problems
- To reach the tobacco company management who had the power to act.
- To create public awareness that can put pressure on the local government to act (a democratic process)

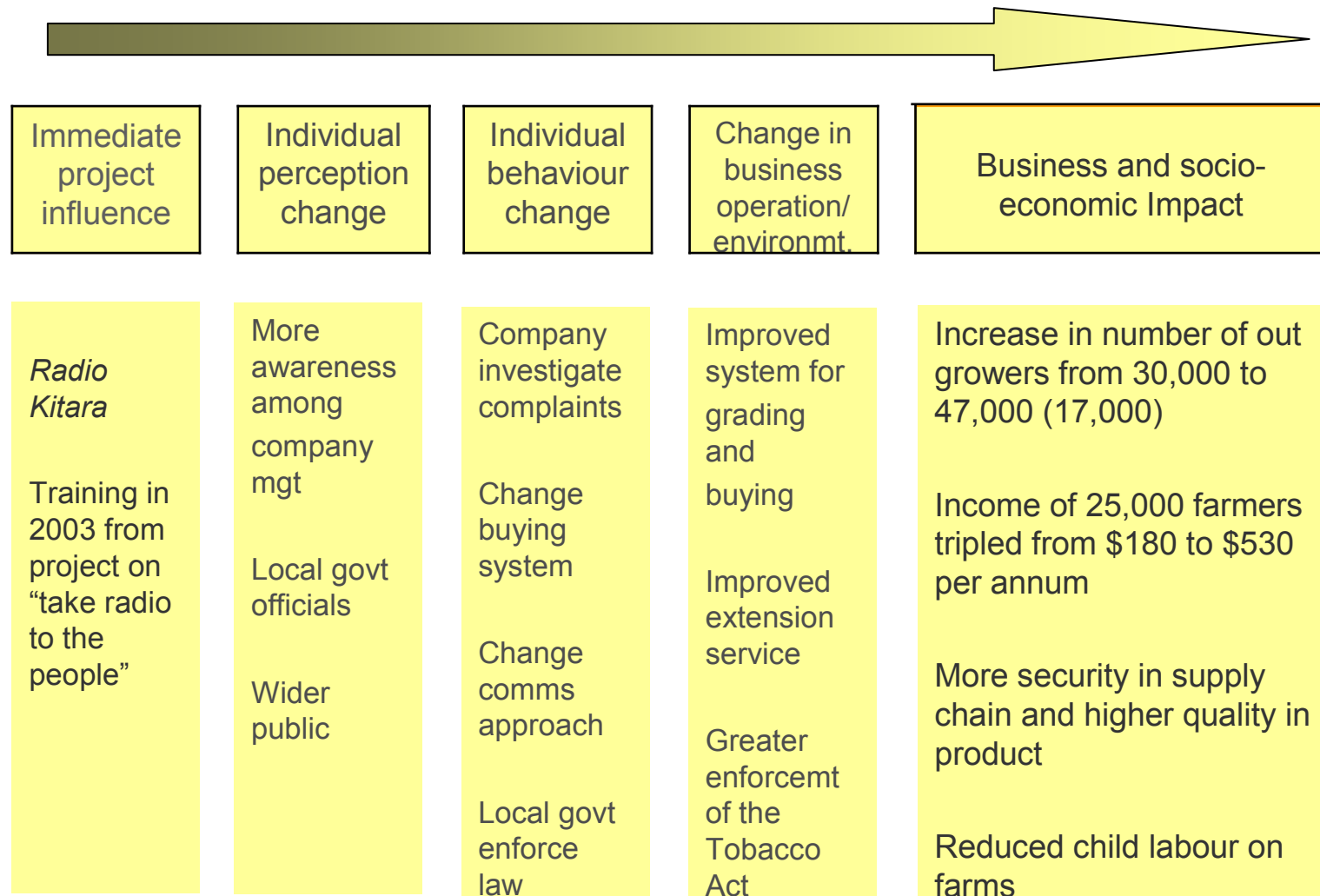
## **What did this achieve?**

- Radical redesign of outgrowing system – from 152 buying centres to 4 – transparency and consistency of weighing, grading, input provision
- Communication strategy revamped – using radio for conveying information and receiving
- Now 47,000 farmers supplying earning on average \$500 more a year.
- BAT views radio as central to the turn around in the Ugandan business – now in top 5 of 180 countries.



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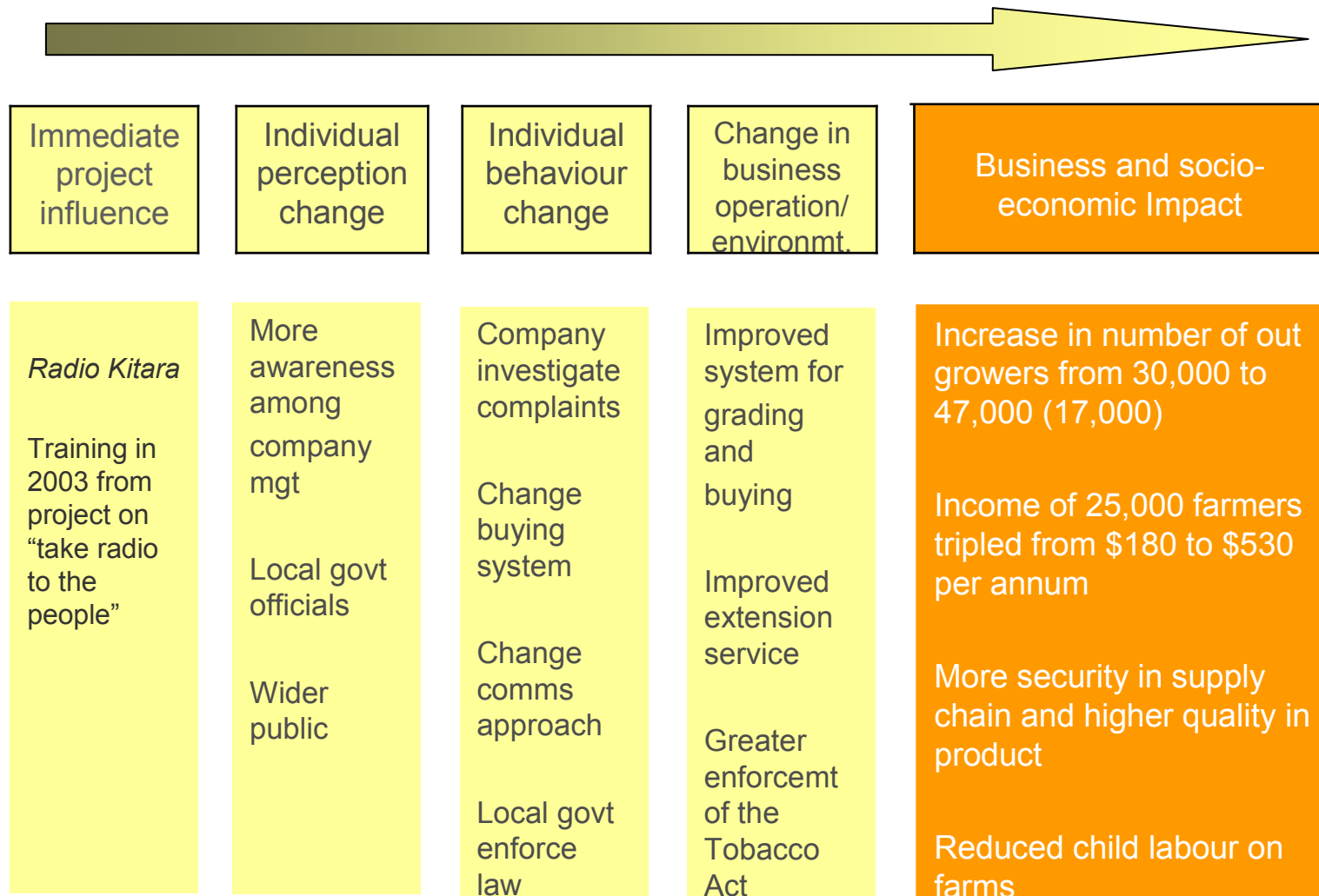
# Chain of causality: exploitation of farmers





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# Chain of causality: exploitation of farmers





## **Case 2: Protecting market traders**

- Space at a premium in the municipal market of the district town of Mpigi
- Smaller/poorer farmers (the Nabyerengera) have access to the space outside the market in the evenings
- Selling in this night market is a major source of income for them
- The allocation of space is a source of tension and conflict between competing users and interest groups (in particular transport/taxi owners)
- In 2003, there is major concern among farmers that that they are being forced out and that rents are high and increasing



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### Radio

- Twice-weekly programme (“I run my own business”) focusing on the issues of businesses and farmers
- Included a mobile format – town and village meetings
- Sponsored by national communications company

### Public meeting and debate

- 100 people – including Mayor, Town Clerk, Councillors
- Proceedings of debate broadcast in four programmes
- Mayor commits to improved lighting, sanitation facilities, separate parking and a review of market fees

### Listeners Club

- 28 active members
- Encouraged to provide updates to programme presenter
- To act as a watchdog in relation to promises made by town officials
- Follow-up 6 months later found that most promises had been kept and that market fees had been introduced by one-third

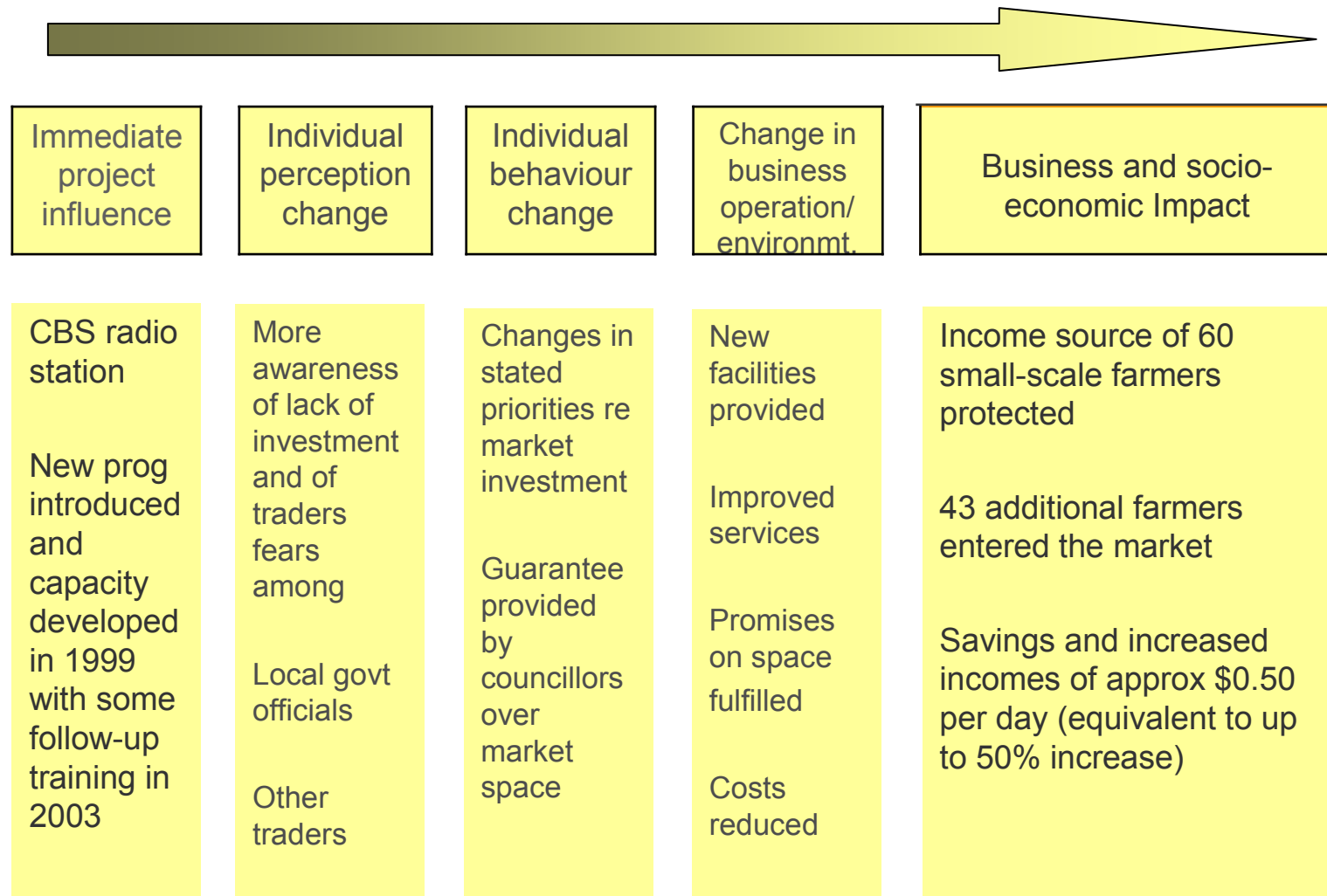
Still an active issue in Mpigi,  
monitored by the Listeners Club  
and the radio programme

Similar Listeners Club set up in  
other towns (3)



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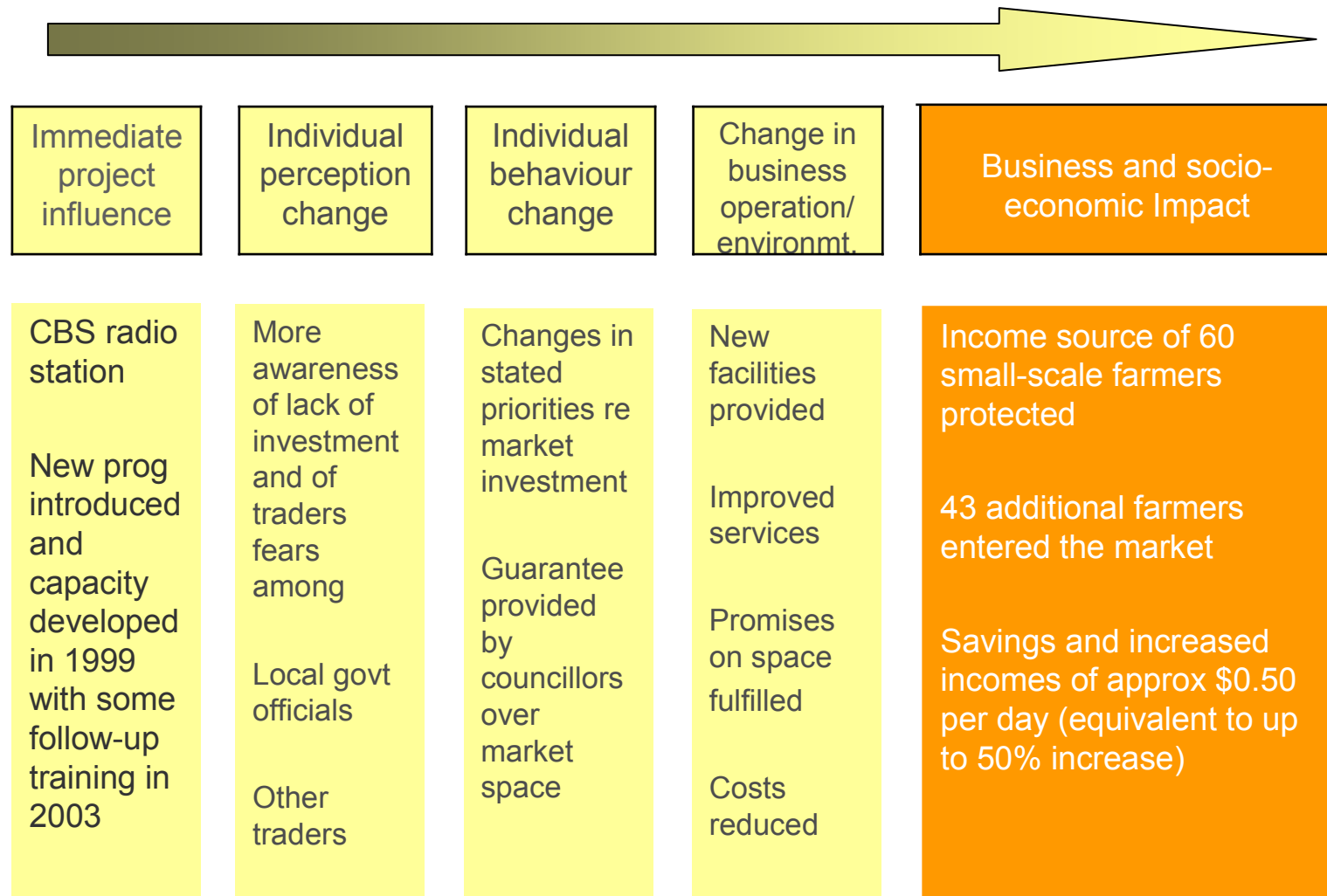
# Chain of causality: protecting market traders





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# Chain of causality: protecting market traders





## Case 3: Empowering the stone crushers of Kabale

- Splitting large stones from cliff faces for sale to construction industry (who come with trucks) to pick up stone.
- Hard, physical labour – low-paid, low-status – usually undertaken by women. Typically earnings of \$20 per month.
- Local men and youths often intercept trucks and, when women are absent, sell stone claiming it is their own or that it has been sold on credit.
- Theft (legally) – but stemming from traditional view of land and its proceeds belonging to men
- Local authorities refused to act on complaints
- Higher levels of government (District level) – which has a gender officer - could have supported the women
- Women increasingly resigned to their situation





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### Radio programme (1)

- Reporter running a weekly business programme recently returned from training programme
- “Fishing” for a story around the stone crushers’ situation and, through interviews with women, uncovered their plight
- Attempts to interview accused men met with threats and violence
- Follow-up interviews with councillors and officials – a commitment to pursue the issue

### Radio programme (2)

- Reporter follow-up 8 weeks later but no change
- Ran story in more popular news programme with subsequent phone-in debate
- Considerable public response

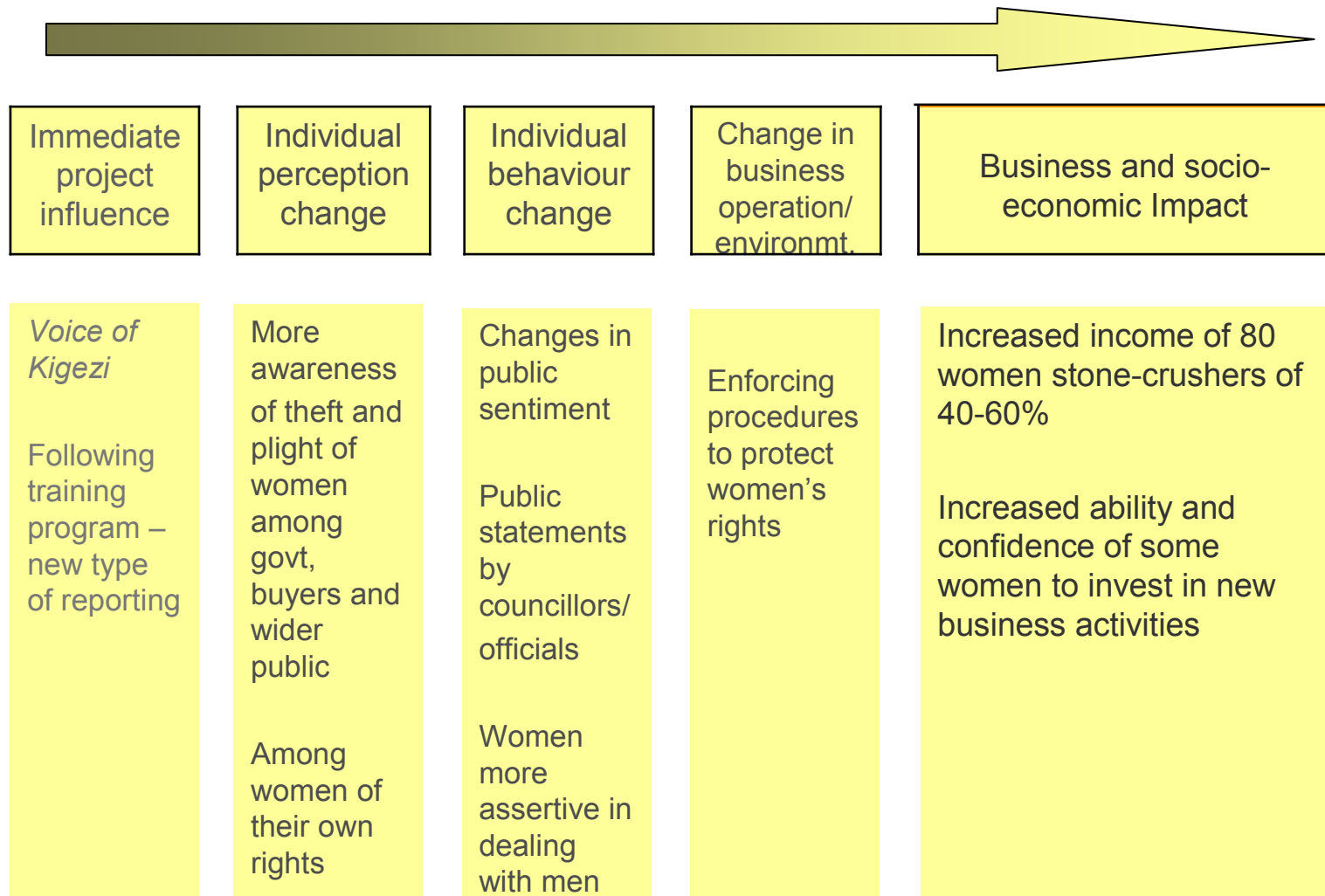
### Local government

- Within 2 weeks women’s councillor acted (with village chairman)
- Appeared on radio telling the men that they would be arrested if theft continued
- 3 months later – follow-up by radio found the women’s situation improved



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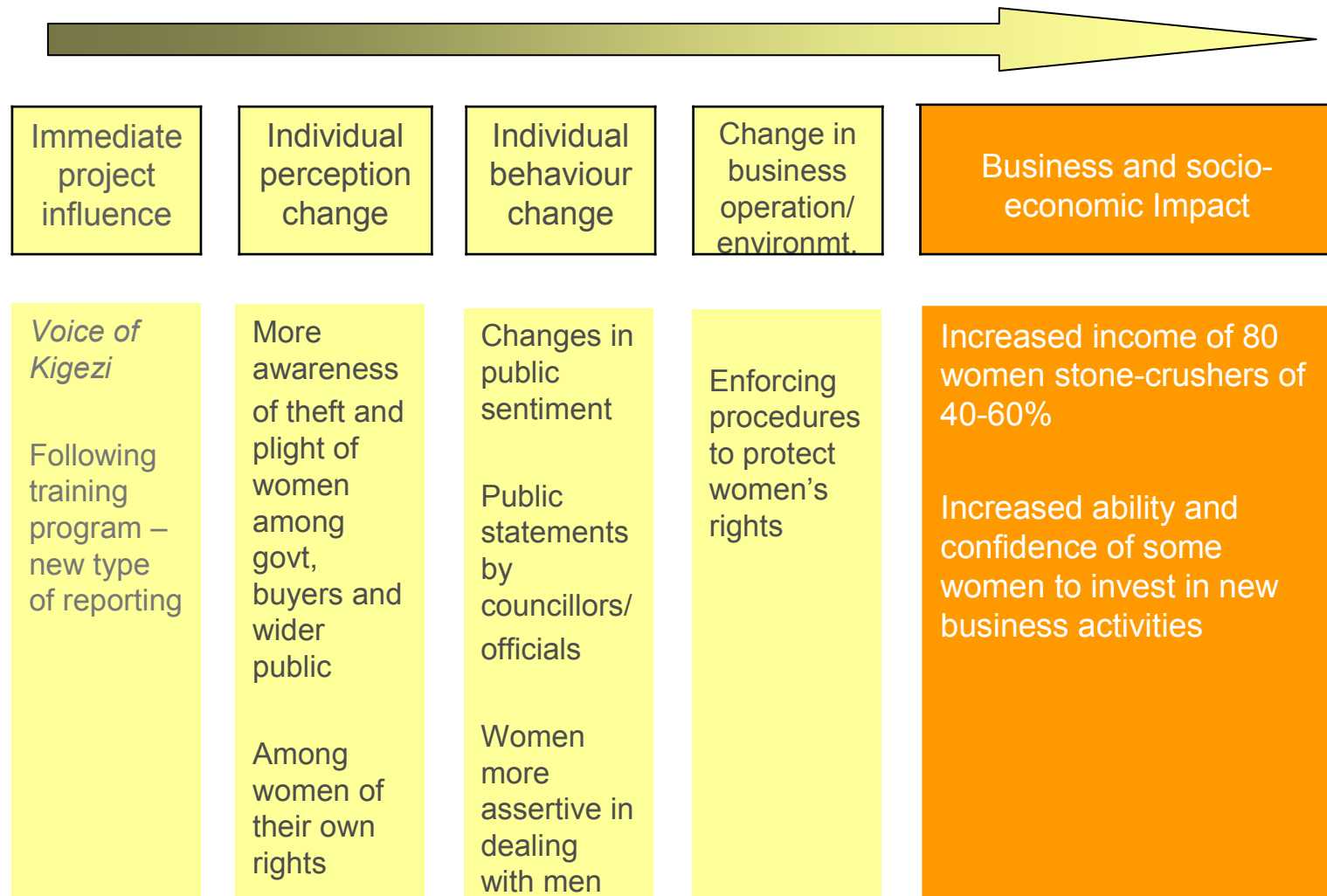
# Chain of causality: empowering stone crushers





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# Chain of causality: empowering stone crushers





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## Conclusions and implications for agencies

*Favourable context .....*

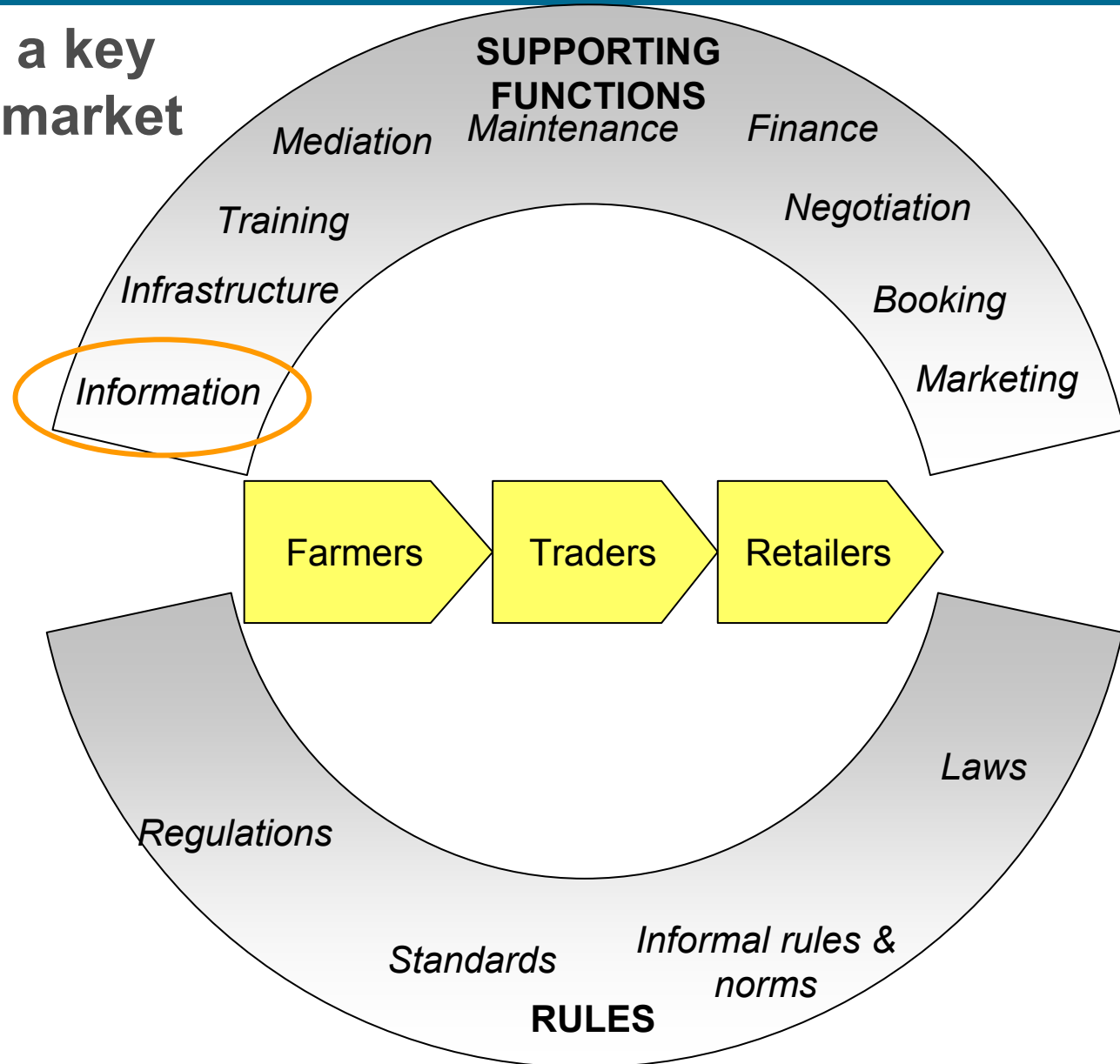
*..... but not a unique one!*

1. The media is critically important in addressing information constraints in the economy and in providing effective voice for the poor
  - Radio as a business service in its own right
  - Lubricant to economic development – addressing the informal rules governing behaviour
  - Inherent (not separate) part of making value chains and processes of reform work better
  - Pro-poor – driven by audience concerns not political patronage
  - Complement to and tool for other advocacy mechanisms



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### Information as a key function in any market system





## Conclusions and implications for agencies

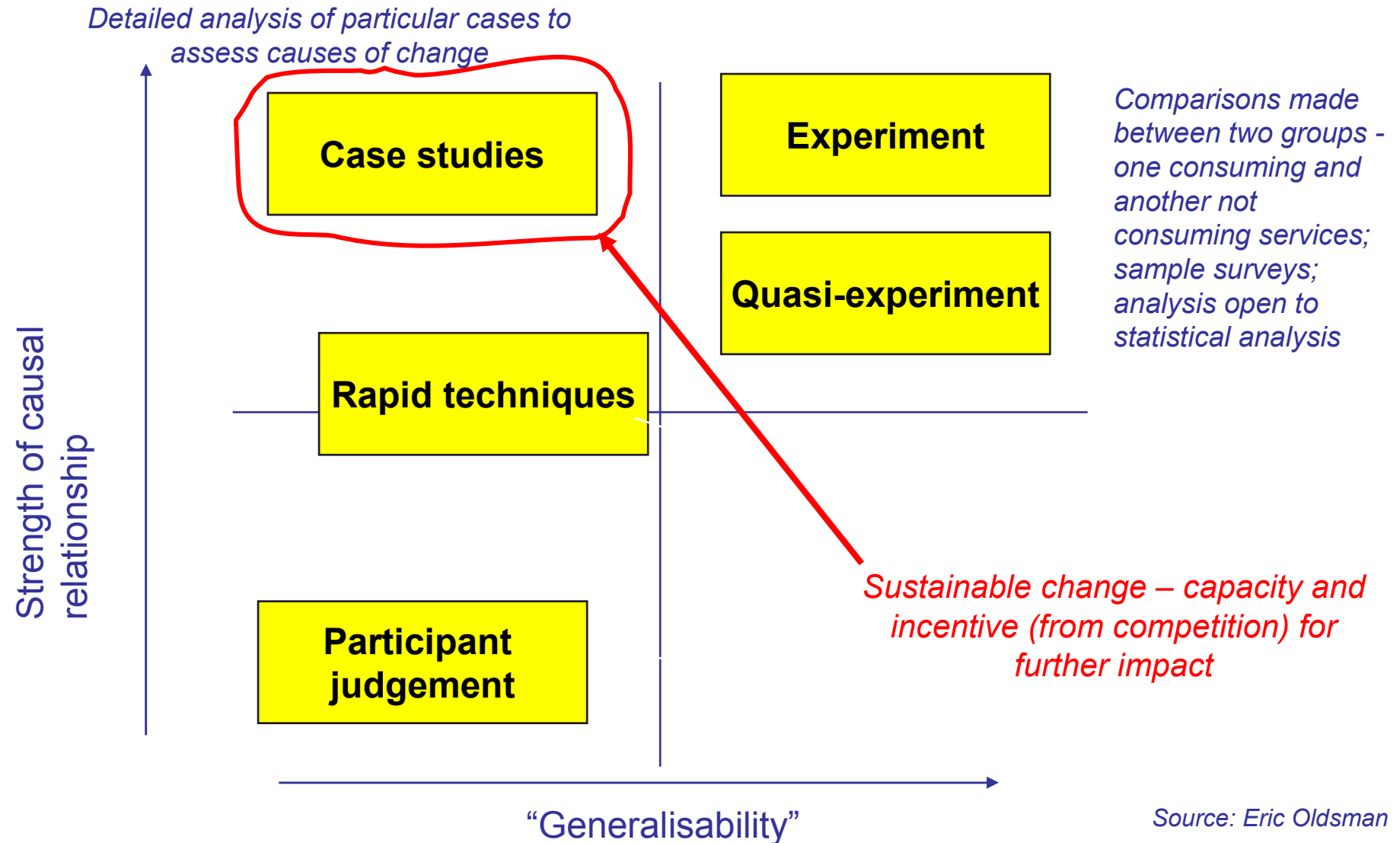
2. A market development approach to media generates change that is effective, efficient and systemic

sustainable – capacity and incentive to continue to develop services with the potential for crowding-in of others



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# Approaches to assessing impact





## Conclusions and implications for agencies

3. A market development approach to the media differs markedly from conventional approaches



## Differences in the approach

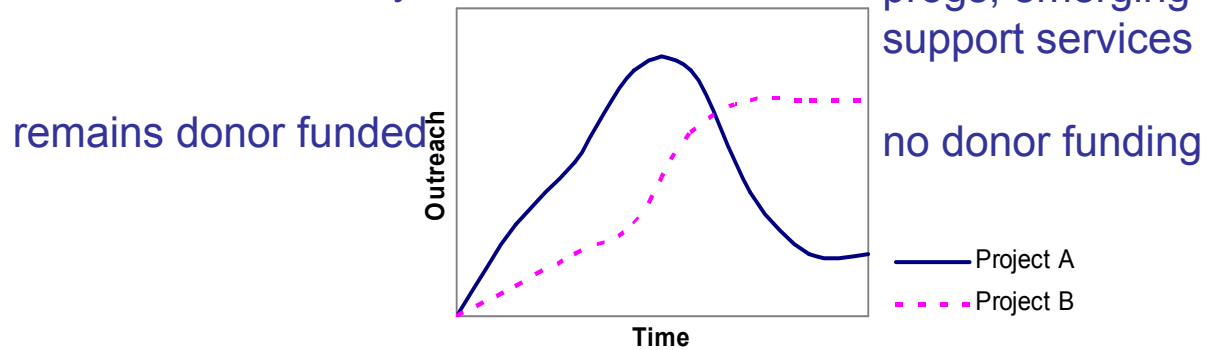
	<u>Conventional</u>	<u>Market Development</u>
<b>Funding airtime</b>	Donor funded	Sponsors/advertisers found by radio stations
<b>Providing information</b>	By donors or paid by donors	By radio stations
<b>Production</b>	Either by donors in external studios or paid by donors	By radio stations in their own studios
<b>Ownership</b>	Donors	Radio stations
<b>Focus</b>	Donor led	When working – audience led
<b>Result</b>	<p>‘developmental programmes’ perceived as non mainstream</p> <p>No donor introduced programme has ever continued in Uganda</p>	<p>‘Informative programmes’ perceived as part of mainstream broadcasting</p> <p>Programmes continuing and being replicated and copied.</p>



# What's different? Comparing performance

2 projects aimed at addressing information constraints in rural MSEs

Project A: 1999-?    \$0.5 m/yr	<b>2 projects</b>	Project B: 1999-2007    \$0.15 m/yr
Increase info for rural MSEs <i>"Info is a long term strategic public good"</i>	<b>Goal</b>	Establish sustainable, effective info for rural MSEs via the mass media
Peak of 7-8m listeners	<b>Outreach</b>	7m regular listeners
Initially 10 stations but dissemination cut as funding cut to \$0.05 m/yr	<b>Sustainability</b>	Initially 1 station but now 24+ stations with MSE progs, emerging new progs & support services





## Conclusions and implications for agencies

4. Effective approaches to private sector development must engage with the media to develop it as a vital element of a functioning/inclusive economy