

Building a **network of retailers** to deliver irrigation options in Nicaragua.



A social franchise system promotes smart-water systems that increase prosperity

Farm Business Advisors are partners with iDE's social enterprise, iDEal Tecnologías, in Nicaragua. Considered independent "retailers," these FBAs are recruited from iDEal's active client base, who already are using irrigation technology and understand it, as well as have a good personal network.

FBAs sign a contract with iDEal that defines the roles and responsibilities. The FBA agrees to visit at least two prospects per week (either commercial or family farmers), gathering contact information and measurements on the areas to be irrigated. To help their clients understand the potential for irrigation, the FBA has a spreadsheet that they use to collaborate with the farmer to input the size of the field, the types of crops, labor and fuel cost and how much water they use currently for irrigation, then calculate their potential savings if they work with an iDEal irrigation system. When the farmer agrees to purchase a system, the FBA sends this information to the iDEal regional coordinator, who handles all the logistical and administrative work. For every irrigation system that the FBA sells, the FBA receives a 12% commission.

The coordinator creates a quote for the custom-

designed irrigation system that best fits the farmer's area. After the FBA shares that with his or her client, iDEal handles the payment arrangements and orders the system. Once it arrives in the iDEal office, the coordinator installs and train the farmer on the correct use and maintenance of the new system. iDEal also provides the farmer access to additional equipment, such as pumps or water storage tanks.

Some of the retailers don't have the time to be able to visit all the prospects that they identify as promising. However, they can receive a 5% commission for every farmer that they pass on to their regional coordinator if the farmer buys a system (recommended fee).

As of early 2017, iDEal has two coordinators, which limits how many FBA retailers they can support given the custom nature of each order and the logistics required for ordering and installation. Farmers also have to pay the whole amount upfront; iDEal would like to engage local banks or global microfinance institutions to be able to offer installment and loan options.

Photo Caption

Carlos Avendano is known in his region as a 'super producer.' He now uses his fame as a retailer for iDEal, using the evidence of his own success with drip irrigation to work with other farmers to design and install irrigation systems on their own plots.



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The Nicaragua Context

Nicaragua is the second poorest country in Latin America, after Haiti. Half of the population lives in rural areas, and two-thirds of those struggle to survive on little more than a dollar a day. Rural farmers deal with water scarcity and typically depend on just a few crops, making them vulnerable to volatility in markets and climate. Inadequate infrastructure and the effects from past conflicts and natural disasters are obstacles to people trying to increase their incomes and improve their lives.

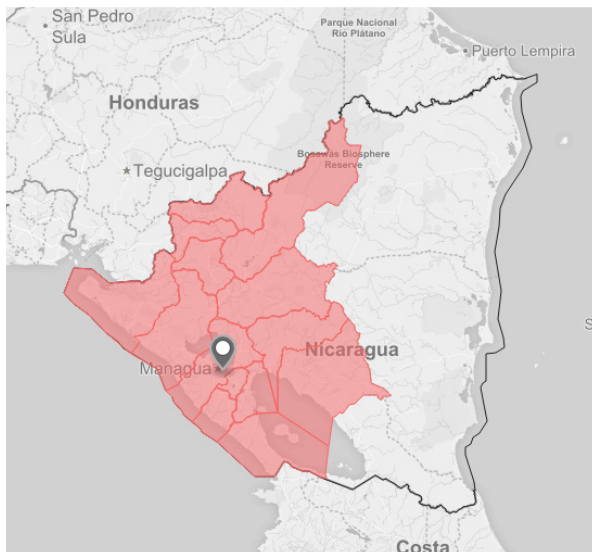
Nicaragua Retailers By the Numbers

40 clients per 1 Retailer

900 clients served to date

Average Annual Income: \$288

Each Retailer travels an average of 5km per day



iDE

iDE creates income and livelihood opportunities for poor rural households across Asia, Africa, and Latin America. iDE builds markets in a range of sectors, including agriculture, water, sanitation, hygiene, and access to finance.

Contact Us

Phone: (+505) 2 223 4300
E-mail: Nicaragua@ideglobal.org
Nadja Schäfli-Kraenzlin
Country Director, iDE Nicaragua
ideglobal.org