



## Symposium "Business in Development"

27th October 2003



Working Group on Development Techniques





## "Business in Development"

Report of the symposium titled "Business in Development". It was held at October 27th 2003.

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## Working Group on Development Techniques (WOT)

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### **Introduction**

Each year during the International Week the Working Group On Developing Techniques (WOT) in cooperation with Monsoon organises a symposium related to development cooperation. Two years ago possibilities for students to go to developing countries to do a development project were dealt with. Last year the role of water in development cooperation was the theme of the symposium. This is the report of the symposium titled "Business in Development". It was held at October 27th 2003 in the Audiozaal of the Vrijhof at the University of Twente. The program was as follows;

## 14:00 - 15:00 Wim Hardeman Centre Technique Garoua



Wim Hardeman is active at the Centre Technique de Garoua (CTG) in Cameroon. CTG gives training to local people in the production of 'copied' western products, like water pumps, windmills and ploughs. The aim is to help them set up local businesses. Both resulting in employment creation and import substitution. Wim will share his experiences with CTG and the development of businesses in developing countries.

## 15:15 - 16:15 Rob Schuurman Civil Military Cooperation



Civil Military Co-operation (CIMIC) has always been an integral part of the military profession. Today, CIMIC is understood as an operational support function and a command responsibility. Nowadays, commanders have to take into account social, political, cultural, religious, economic, environmental and humanitarian factors when planning and conducting operations in war areas. Former lieutenant-colonel Rob Schuurman was active at CIMIC.

### 16:30 - 17:30 Kevin Offel General Electric Elfun Volunteers



Generic Electric (GE) is a large multinational company. It has a voluntary organisation; Elfun. One of the goals of Elfun is to promote the interests of GE. In turn, the company supports Elfun in a variety of ways, including, for example: use of facilities, management attention, and funds for community projects. Elfun is a volunteer organisation of GE and promoting the company is one of its goals. Each year, more than 1,100 volunteer projects are implemented by thousands of GE volunteers serving communities around the world. Kevin Offel will focus on projects in developing countries.





Happietaria Enschede was also present on the symposium organised by WOT and MONSOON. Happietaria Enschede is a temporary restaurant that will be open in the weeks before Christmas. The goal of this restaurant is to collect money for people in the third world. This year the money goes to a project in Thailand. The Christian care foundation for Children with Disabilities, a Thais organisation, is helping the children to integrate in the society. The restaurant is set up to reach a lot of people and to make people aware of their position in the world. By making people aware of this problem, Happietaria Enschede hopes that it will work out in the things that people do and buy. Therefore Happietaria has not only effect for the children in Thailand, but for all the people in the third world.

In the report you can read more about the lectures that were given. At the end of the report you can read more about the organising organisations, the WOT, Monsoon and P.I.T.S.

Enjoy reading this symposium report,







# Wim Hardeman – Centre de Technique Garoua (CTG)

Wim is originally a mechanical engineer. Together with his wife, he set up a training centre in Garoua in the north of Cameroon. They started with some rented tools (e.g. a cutting and welding machine), but later produced necessary tools themselves. They took pictures of existing tools and



tried to make them themselves. It takes some time, but then you have a tool and know how to make it. After nine years, recently another Dutch man has taken it over. However, eventually it should be run by the local people. In the Netherlands Wim now works for Tearfund, which is a Christian development organisation. Currently, he is working on a machine to recycle waste plastic. Waste plastic bags are abundant in the whole of Africa, he calls it the "National flag of Africa". The plastic recycle machine should be able to produce simple plastic products that are hard to get locally and/or have to be imported.

The Centre de Technique Garoua gives people who can not find a job in Cameroon specific training in certain practical skills like car maintenance or clothes manufacturing. In Cameroon, many people face the problem of unemployment. Even among educated people, only about 20% can find a job. Many people drop out of their education without finishing.

The training that CTG gives is focused on manufacturing products that are already available in the area, but are currently imported from abroad. CTG copies the product and teaches the students to manufacture the products themselves. A requirement is that the products can be manufactured cheaper than the imported version. For example, Chinese diesel engines are available on the Cameroon market for a much lower price as locally manufactured diesel engines. Otherwise nobody will buy the locally produced product of course. The aimed result of this approach is to reduce the import, and to create local employment.

CTG is based on three activities; **service, training and development**. By providing **services** to customers (e.g. NGO's working in the area like WWF and SNV), problems are brought to CTG by the client. The experience of the clients with the products can be used to improve the products that are manufactured. Needs of clients are identified. For instance, "we need ploughs". Providing service is a source of income for CTG. The students can by this approach see themselves the result of their works. They interact with the customers and see that their products are actually used and the clients are willing to pay for it. This encourages the students to set up a business. About 20% of the CTG-students start their own business.





**Training** is done at CTG, which is equipped with classrooms and workshops. About 75% of the time the students are busy with practical skills. The rest of the time is spent in the classroom. Not only relevant knowledge is taught, but also other things like knowledge about sexually transmittable diseases are taught to the students.

There is an evening school for training in setting up a business. Generally, the people do everything by feeling in setting up a business. Usually resulting in an inefficient or malfunctioning business. CTG tries to teach the students some general rules and give them hints. (e.g. business plan, bookkeeping, marketing). Some students sell up to 4 times more products after this training.

Recently CTG has signed a contract with the Japanese car company Mitsubishi. Mitsubishi provides training from qualified mechanics from Japan. The students from CTG can transfer this knowledge to the other students.

The students are taught the skills to manufacture specific products. As a result, when these students set up their own businesses they become the competitors of CTG. For example, when CTG had introduced three types of mills, local people combined the good features of the mills and produced a cheaper mill. Although the quality was less, everybody bought it because it was cheaper! Therefore, CTG continuously has to develop 'new' copied products.

Products that have been developed are for instance; office equipment, playground equipment, industrial clothing and agricultural tools.

Setting up businesses is difficult. Interest rates of 25% on loans from local banks are not an exception. The banks also need a good business plan. To help people get a loan to start up a business, CTG initiates co-operatives, which are encouraged to save up some money each month. With the support of CTG, local banks are willing to loan these co-operatives a reasonable amount for a better interest rate after only 4 months of saving.

Wim sympathises that businesses are important in the development of a country. A problem he faces in Cameroon is that 'business' is sometimes considered a 'dirty' word. Especially among Catholics, who have a different approach of development cooperation. This view is changing though.

But is it fair to copy existing products? Wim thinks you need to be a bit ignorant when copying products, especially since only low-tech products are copied.

You can find more information about CTG on the website of CTG (including catalogues of CTG-products): http://welcome.to/ctg





## Rob Schuurman – Civil Military Cooperation (CIMIC)

Rob Schuurman is a recently retired lieutenant colonel in the Dutch army. He has served for 35 years. He is still an adviser in the area of civil military relations.



CIMIC is an organisation involved in developing a country after a war or during a peace mission. When a country is reconstructed there are three key players; International Organisations (IO's), NGO's and government sponsored organisation like the military. A noticeable difference is that the military has a multi-billion dollar budget to reconstruct a nation, while other organisations have to cope with much less financial means.

In former years, there were military prejudices that people from NGO's were just "hippies", "do-gooders" or "idealists". On the other side, NGO's regarded the military just as "people who kill". There was actually competition between NGO's and the military in doing the necessary tasks in rebuilding a country.

In recent years, working in the field together has improved the cooperation between the military and NGO's. Now there are even special courses to improve the mutual understanding between civilians and the military. The military has learned that it should not take over the responsibilities of other organisations. The military should do what it's good at; creating a secure environment. Providing humanitarian assistance on a large scale is not done by the military any more for instance. There are existing NGO's who are specialised in doing that. The military can advise NGO's and IO's, but can't order them to do things. (E.g. "I would recommend not to go there, there are landmines!")

CIMIC is not responsible for 'nation building', but can support the process of rebuilding a nation by means of transportation, personnel, etc. CIMIC is a commander's tool. It is an interface to the civil environment, e.g. local governments or local NGO's. A continuous 'civil assessment' is done to identify vacuums. CIMIC centres are set up in the field. They are physical meeting places between local NGO's or local governments and the military. Eventually, this civil-military interaction will result in that the local civil players can take over the tasks of the military smoothly. The military does not intend to stay in a certain area for a longer time than needed.

Rob mentions the current situation in Iraq, where there are no NGO's due to the security problems. This is a unique situation. Usually there are many International Organisations and NGO's present in a country. They are all involved in rebuilding the nation.





It is important for the military to gain a positive attitude from the local people. In Iraq there is a shortage of fuel due to distribution problems. The local people get upset because there is no fuel for their cars and to cook food on. In these situations, usually after one month of shortage, the people get violent. They blame the military for not delivering the fuel (or something else). It is not hard to imagine that the civil military cooperation to (re)develop the local area is hindered. However, if the military does secure a reliable fuel supply, the people will get a positive attitude toward the military.

Civil military cooperation benefits the local economy in multiple ways. When the military is active in a country, food, water, and labour are among other things needed from the local people. Also, economic activity is hindered if the area has security problems. The military creates this secure environment. The military is also involved in the actual reconstruction of the area, like roads, electricity lines, etc. The Dutch policy is that local companies should be hired whenever possible. If for some reason this is not possible, Dutch companies will be contracted to work in the area. This policy has resulted in that CIMIC is not anymore the sole responsibility of the Ministry of Defence. Other Ministries, like the Ministry of Economic Affairs, are involved as well.

In conclusion; There are clear parameters for what the military can and cannot do in development work during a peace mission.

You can find more information about CIMIC on the following website: http://www.cimicgroupnorth.org





### Kevin Offel-General Electric Elfun volunteers (GE-Elfun)

Kevin Offel is working for General Electric (GE) Wind Energy in Almelo. The factory was taken over by GE 18 months ago. Kevin came from the US to introduce the American way of working in Almelo. A lot of things have to change in a company, when it is overtaken and Kevin Offel is here to make that happen.

GE is one of the biggest, if not the biggest, company in the world. GE operates in more than 100 countries and employs more than 315,000 people world-wide. The company traces its beginnings to Thomas A. Edison, who established Edison Electric Light Company in 1878. In 1892, a merger of Edison General Electric Company and Thomson-Houston Electric Company created the General Electric Company. GE is the only company listed in the Dow Jones Industrial Index today that was also included in the original index in 1896.

The factory in Almelo produces rotors for wind turbines. Most of the work done in Almelo is handwork.

GE Elfun is the volunteer organisation behind GE and is set up in 1928 and has up to 135 chapters. Supporting the community and promoting the welfare of the members are the objectives of Elfun, next to promoting GE. Elfun volunteers can use means of GE for support of projects they thought out themselves. Projects that are undertaken by Elfun volunteers include building houses, cleaning parks, building playgrounds, helping disabled persons, etcetera.

One of the most important things about Elfun is that the volunteers want to give something back to the community. If they have a plan about how the environment or the society can become a better place within their own community, they can decide to propose a project to GE. According to if the goals of the project match the goals of Elfun, they are given the means to develop their project. Most of the work is done by employees of GE, but others are welcome to join a project whenever they want.

The way Elfun is working is appreciated by the management. Good work with Elfun is also respected by GE and therefore a lot of people are interested in this kind of volunteerism. Question is whether it could work with GE factories in the world. The way Elfun is working is based on an American society and it seems people have to get familiar with the system before they know how they should use it. The future will tell if that is possible.

For more information see: http://www.elfun.org/





### Conclusion

Developing a country can be done in many ways. In this symposium we have focused on the role of companies. Many people think that economic growth of a country is the engine for development of living standards. Companies therefore play an important role herein.

Wim Hardeman, from the Centre de Technique de Garoua in Cameroon takes the approach of the so-called 'technology transfer'. While foreign countries set up factories and research centres in developing countries, the technology remains the 'property' of the foreign company. The Centre Technique de Garoua is an example of a different approach. The design of products that are imported from foreign (developed) countries are copied and produced locally. Basic skills are needed to produce these products. The local people can start their own businesses, resulting in employment creation and import substitution.

But how can a country develop its economy, if it has security problems? Rob Schuurman elaborated on civil military cooperation to develop a country after a war or during a military peace mission. The military is increasingly collaborating with both local and international NGO's and international organisations in rebuilding a country. The main role the military plays is creating a secure environment. Other specialised organisations are left with the other tasks that have to be done. If reconstruction works have to be done, local businesses are contracted whenever possible.

General Electric (GE) is a large multinational company. Kevin Offel gave an insight in GE's own volunteer organisation, Elfun. The Elfun volunteers are GE employees who want to do good for the world. The projects that are executed vary. As GE is a large company, Elfun projects are done in all countries where GE has a facility. GE can offer the projects financial resources. GE does not have many facilities in developing countries. Consequently little projects are done in developing countries.

We hope this symposium has given you some more background on which you can base your opinion about business in development!

On behalf of the symposium committee, Ferdinand Kroon





### Working Group on Development Techniques (WOT)

"WOT" is the Dutch abbreviation for Working Group on Development Techniques. We are a non-profit organisation based at the University of Twente in the Netherlands. WOT members are volunteers. They are supported by a small professional staff.

The WOT supports the development of social and economic living conditions in developing countries by means of;

- transfer of technical information for sustainable development in the view of appropriate technology.
- making people aware of the situation in developing countries, and especially the role that appropriate technology can play in improving these situations.

We try to achieve these goals by;

- providing an information service in the field of small scale sustainable energy and appropriate technology for developing countries.
- maintaining a testfield and workshop to be able to develop and test appropriate technologies to support our technical advice.
- organising courses, symposia, lectures, workshops, etc...
- writing and distributing publications on small scale sustainable energy and appropriate technology for developing countries.
- maintaining a documentation centre, containing approximately 2600 titles.

The WOT focuses on renewable energy sources, like waterpower, solar energy and wind energy. In our work we try to involve appropriate technologies. This means we take into account the local circumstances in developing countries. For instance making use of locally available materials, knowledge and skills. The needs of the current generation do not have to be satisfied at the expense of future generations, and the WOT therefore supports sustainable development.

One of the courses that is offered is the annual T-Week, a technical week for development workers. The participants are trained in basic technical skills like masonry, car mechanics, wood working, etc. Wim Hardeman, the first lecturer of this symposium, has participated in the T-Week before he went off to Cameroon.



Constructing a solar water heater and ropepump on the WOT-field





### **MONSOON**

MONSOON is the students' society associated with the Technology and Development Group. The society was founded in 1985 with the objective of bringing students more directly into contact with problems development processes in the developing world. At the end of 2000, MONSOON had about 100 members. MONSOON works closely with TDG in exchanging information and developing joint activities. The society acts as an intermediary between students and the staff of TDG and serves as a meeting point for students. The society produces a regular newsletter, 'Qué Pasa', which includes the experiences of fellow-students abroad as part of their work-experience or research for their masters' thesis. Throughout 2000 meetings for discussion and information exchange were organised. Main activities of the year included an excursion to the "Genie", the civil aid troops of the Dutch army and the MONSOON symposium.



Monsoon's board 2003/2004

### P.I.T.S.

PITS stands for Platform Internationalisation Twente Studentorganisations. PITS is the consultative body which unites all international and internationally oriented student organisations at the University of Twente.

The purpose of PITS is to make students more aware of student mobility and of internationalisation, both within and outside of the UT. Internationalisation does not only mean going abroad, it also means being internationally oriented at the UT. PITS offers these possibilities. Whether you want to go abroad for internships or study trips, would like to have more contact with international students at the UT, are interested in attending conferences or whether you are more interested in giving advise regarding internationalisation.

Summarised PITS has three main tasks:

- To volunteer advise on and to point out problems concerning the internationalisation policy and related issues of the UT as perceived by students to departments/persons of the university involved in internationalisation.
- To promote the internationally oriented student organisations on Campus and organise related activities such as the International Week.
- To function as a gate keeper for all questions concerning international student organisations

PITS offers all these possibilities through the international and internationally oriented student organisations that it unites. Members of PITS are: AEGEE, AIESEC, the International Office, Monsoon, SMIT, Student Union and the WOT.