Socio - Economic Impacts of Rural Telecenters in Iran

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Iran University of Science and Technology

Women’s Economic Empowerment and the Role of ICT

The First Rural Telecenter in Iran
www.gharnabad.ir

The World Bank Seminar:
Women’s Economic Empowerment and the Role of ICT
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Virtual System Processing
The World Bank
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Women's Economic Empowerment and the Role of ICT

Socio-Economic Impacts of Rural Telecenters in Iran

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The World Bank Seminar, May 4, 2006 – Washington DC
The propose of this talk is to introduce the Rural ICT activities in Iran and specially reviewing the results of one research project, "Socio-Economic Impacts of Rural Telecenters in Iran", in order to find how Iranians use these facilities for poverty reduction and for economic improvement of poor women and men in rural areas.
Dr. Ali A. Jalali is an Adjunct Professor in LCSEE, at the West Virginia University and at the same time he is researching at the Iran University of Science and Technology.

Dr. Jalali has more than 10 years of experience in the field of Information Technology in various disciplines. He is well-known for his theory "Virtual Age the fourth wave of change" and for his activities towards the extending ICT’s application to rural areas in Iran.

Dr. Jalali has received National Award for the best researcher of the year 2004, in the field of Information Technology in Iran.

Dr. Jalali is pioneer and designer of almost all rural ICT projects in Iran.
• Introduction.
• Background information.
• Rural ICT in Iran (a glance)
• Rural Telecenters in Iran
• Review of research: Socio-Economic Impacts of Rural Telecenters in Iran
• Conclusions.
Over 60% of people in Asia-Pacific region and about 40% of the people in the world live in rural areas.

Extending the international rural ICT experiences is a very important issue in most of the world.

In Iran some rural ICT experiences have been started since year 2000.
• Using applications of Information and Communication Technology (ICT) for poverty reduction and for the economic empowerment of poor women and men in rural areas have been experienced world wide.
Telecenters are making tools available for villagers. It can provide rural people with information related to their business, reduce the costs of money transfers, and put microfinance within the reach of poor men and women.
What is Telecenter?

- Telecenter is a public facility that offers shared access to Information Communication Technology Applications.
Telecenters in Iran

- There are two rural Telecenters in Iran: in Gharnabad and East Livan villages.
- Gharnabad was started in June 2004 with the aim of creating an environment for improving social and economic need in the rural areas.
- East Livan was started in June 2005.
Why Rural Telecenters?

• Gap between urban area and rural area may be reduced by using Information and communication Technology.
• We cannot have poverty reduction and economic empowerment of poor women in rural and remote areas without using ICT applications at rural Telecenters.
• The most cost-effective solution in rural area is to share necessary facilities at Telecenters.
• Iran has some experiences in building Telecenters.
Benefits of Rural Telecenters

- Promote self employment opportunities
- Computer training at village level
- Promote CLC services, activities and products
- ICT training center for education and health care in the region
**IRAN at a glance**

- **Capital:** Tehran with 12.5 million inhabittance
- **Population:** 69.0 million (Rural: 23 million)
- **Surface:** 1.648 million sq. km (The 16th largest country in the world)
- **GDP (Gross Domestic Product):** $155.4 billion
- **Real GDP Growth Rate (2004E):** 5.8%
- **Official Language:** Farsi
ICT Development In Iran
The Number of Internet users

Internet Users
7.5 Million
About 11% of population

greater than Developing Countries

World 2004

The digital divide in 1994: 73 times more

The digital divide in 2004: 8 times more

Source: International Telecommunication Union
The number of Fixed Phone Users

- Fixed phone Users: 14.5 Million
- About 28% of population

World 2004

- The digital divide in 1994: 11 times more
- The digital divide in 2004: 4 times more

Fixed phone Users 14.5 Million
About 28% of population

Source: International Telecommunication Union
The number Mobil Users

Fixed phone Users
10 Million
About 15\% of population
lower than Developing Countries
Rural ICT Development In Iran
The number of newly phone connected villages in each year.

Internet Users: 1-2%
Fixed Phone: 15%
Mobile Phone: NA
%33 of Iranians are living in 68,000 villages
30% of rural people are living in 82% of villages!
70% of people live in 18% of villages in Iran.
Most of these villages need to use Information and Communication Technology (ICT) services.
Iran Rural ICT Strategic Plan

- Iran Rural ICT Strategic Plan is one of the Iran ICT Development National Plans, and considered as a reference for integrated coordinating of Iran rural ICT development.
• Decreasing the rural digital divided for economic development in villages and move toward information society.
We developed Iran rural ICT model, by considering available ICT models and national atmosphere of rural ICT development.
Major Rural ICT Projects

- National Rural ICT Strategic Plan (2005)
- 10000 Rural ICT Tele-Service Center (2005)
- Shahkooh village was the first Iranian village being connected to the internet (2000) [www.shahkooh.com](http://www.shahkooh.com).
- UNDP has provided a financial support for four small villages like Maymak in Damavand (2004).
- Local Rural ICT Application Conference (2005)
The First Telecenter In Iran

- Gharnabad Village
- Golestan Province
- Population: 2013
- Start: 2004
The First Rural Telecenter in Gharnabad Village has been constructed with participation of Shahkooh residents.

- Funding comes from private donations with a little from government.
- The estimated cost is around $250,000.
Rural Telecenters in Iran

• The local community helped in the construction of the Telecenters, physically and financially.

• The Telecommunications Company of Golestan province is the official owner, and responsible for costs after opening.
The 2nd Telecenter In Iran

- East Livan Village
- Golestan Province
- Population: 8000
- Start: 2005
Rural Telecenter which can be publicly or privately owned, be part of a public or private franchise, or be provided by international donors, has been proved its justification in the world.
This ICT Telecenter is contracted with 280 square meters on each floor.
Goal of Gharnabad Telecenter

- Education for all ages and for all people in the areas who need it.
- Cultural Activities.
- A show case for the way IT can be utilized to govern and a small scale model for e-government.
- A center for women's activities.
- An ISP for village.
- An e-commerce hub for the village and surrounding areas.
- A vehicle for e-learning, and access to virtual universities.
- A general information center (health, agriculture, etc.)
- Access to E-learning.
- Tele-working (Job opportunity)
Target Group at Telecenters

- Individuals (local community members and village leaders);
- Small businesses;
- Schools;
- Youths;
- Disabled people;
- Farmers;
- Women groups;
- Tele-workers
- Government departments
LINKAGES MODEL

- Government Offices
- Village Devt Committee
- Ministry of Rural & Regional Dev.
- Mosque
- Rural Clinic
- Schools
- Other Services
- Community Center
- Police Dept
- Local Community
- Community Center
- Other Services
- Government Offices
Telecenters CHALLENGES

- High implementation cost (initial)
- Limited telecommunication infrastructure in remote areas
- Limited usage – not enough to sustain
- High operating cost (telecommunication, electricity, personnel)
- Encourage private sector participation
- Need for effective management
- Need for strong community support
- ICT training – wide coverage
- Technology moves fast
Activities at Rural Telecenters
Research at Telecenters

- More than 250 Researches
- 40 Researchers
- 35 Papers in conferences

Research output Fair at Gharnabad
Local Rural ICT Conference
Conferences at Telecenters
Teleworking at Telecenters

- Data Entry
- Tele-Research
- Marketing
- Web Designing
- Tutoring
- Teaching
Formal Training Activities
Info Kiosk and Internet Phone
The First Rural E-Banking
The goals of Shahkooh Women's Organization are as follows:

- To teach and educate women of the village of Shahkooh through the Internet.
- To assist women in finding jobs. To educate women about their rights. To provide families with information regarding health and education for children.

http://www.shahkooh.com/zan_organization/women.html
Success Factors of Rural Telecenters in Iran

- Financial participation of rural people from initial stage is very important. Land of Telecenter should be donated by villagers.
- Training rural people in short period of time after opening is important.
• Creating website for village with popular villagers’ information and other information.
• Sufficient agricultural information and elementary services.
Success Factors of Rural Telecenters in Iran

- E-Banking for small investment and low operational cost loan at initial stage for commercial operation is important.
- Participation of rural women in operation is useful for empowerment.
Success Factors of Rural Telecenters in Iran

- Sharing local government in permanent cost (Internet, telephone, gas, water and maintenances plus guards) is very important.
- Broadband access to Internet for running multi-media is needed.
UNESCO Research Output on Socio-Economic Impacts of Rural Telecenters in Iran
UNESCO has launched a research project, "Socio-Economic Impacts of Rural Telecenters in Iran", in order to measure the special effects of two Telecenters.

The results of research indicate, more than half of women and young people reported a positive impact of rural Telecenters on their lives.
This research initiated with Communication and Information (CI) Advisor (Afghanistan, Iran, Pakistan and Turkmenistan) UNISCO, Tehran Cluster Office in order to find socio economics impacts of these Telecenters for possible use in regional, national and international level.
This talk is based on a researched methodology in order to find Socio Economics Impacts of Rural Telecenters in Iran.

Both, qualitative and quantitative methods have been employed for conducting the research in this specific sector.
Researched Methodology

- The qualitative methods consisted of interviews with project officials and Telecenter operators.
- The quantitative methods consisted of conducting detailed interviews with the Telecenter users based on a questionnaire and using data from other sources.
During study, we focused on the following questions:

- **Social impacts**: What are the impacts on youths, and on women? What are the impacts on health, education, beliefs and culture?
- **Economic impacts**: How does technology affect jobs and incomes in the village? Have the Telecenters resulted in the improved provision of job seeking and employment?
Selecting the suitable Indicators

- Indicators tend to focus on performance, sustainability, content and overall impact. In this report, we focus on a Telecaster's social and economic impact. Social impact, for example, comprises both outputs and impacts.
Selecting the suitable Indicators

- Outputs are the measurable “actions” that result directly from the program operations (e.g., number of people helped, number of services offered)
- Impact is the effects of the program on the social problem it was intended to address (e.g. computer literacy or job creation)
Factors in research

• These two villages were picked based on factors such as the duration of operation of the Telecenters, and availability of other data sources for making a comparative study.

• Interviews with users in these two villages were made with the help of Telecenter operators from each Telecenter.
Indicators

- Telecenter General indicators
  - Related Community Parameters
  - Basic Telecenter parameters
- Impact indicators
  - Economic impacts
  - Social impacts
Overall Results on Economical & Social Impacts in two Telecentres
Comparison of Economic Development Index

- Youths in Livan Sharqi: 35
- Women in Livan Sharqi: 23
- Youths in Qamabad: 44
- Women in Qamabad: 45

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Comparison of Social Development Index

Youths in Livan Sharqi: 74
Women in Livan Sharqi: 70
Youths in Qarnabad: 74
Women in Qarnabad: 73
## Comparison between Economical & Social Indices

<table>
<thead>
<tr>
<th>Indices</th>
<th>Communities</th>
<th>Youths in Livan Sharqi</th>
<th>Women in Livan Sharqi</th>
<th>Youths in Gharnabad</th>
<th>Women in Gharnabad</th>
</tr>
</thead>
<tbody>
<tr>
<td>Economic Development</td>
<td></td>
<td>35%</td>
<td>23%</td>
<td>44%</td>
<td>45%</td>
</tr>
<tr>
<td>Social Development</td>
<td></td>
<td>74%</td>
<td>70%</td>
<td>74%</td>
<td>73%</td>
</tr>
</tbody>
</table>
According the results of research, villagers have boosted their general and specialized knowledge and improved their social and economy since the Telecenters opened.
Conclusions

• The role of Telecenters in Gharnabad and East Livan for improving knowledge in general and making a good media for business development and entrepreneurship is proved.

• Adapting new technology without Telecenters is not possible.

• Research by Virtual Processing Company/UNESCO on the socio-economics impacts of rural Telecenters in Iran is shown how well these Telecenters are running.
Conclusion

- At two rural Telecenters in Iran the processes Social and Economic identified as important for women empowerment.
- The first is social which helps poor women get basic capabilities.
- Second, the process of social needs economic security.
- With the above brief conceptual understanding of empowerment, what strategies can be used effectively to empower women? Micro-Economy using ICT tools.
The Telecenter has even created jobs for educated girls in Gharnabad and more than 40 of them are currently active in this center, mainly involved in tele-research.

In East Livan educated girls will soon begin work in the Telecenter and the economic impacts of Telecenter in the village have mainly targeted women.
• The results of research with UNESCO indicate, more than half of women and young people reported a positive impact of rural Telecenters on their lives.
Conclusion

- Telecenters in Gharnabad and East Livan villages are used as a development tool for reduction of the need to travel, means of boosting the rural economy and providing job opportunities, support for trade and tourism, reducing isolations and extending e-learning facilities, etc.
Acknowledgements

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Thank You Any?