

## Capitalizing on Communications and Technology in the Favelas of Rio de Janeiro.

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The internet has the potential to link low-income entrepreneurs with consumers across the globe. Access to this technology alone, however, is not enough. In the favelas of Rio de Janeiro, a dynamic partnership between an NGO, Viva Rio, and a major media conglomerate, O Globo, is successfully linking human and technological resources to poor communities interested in using the world wide web to market their products and bring positive attention to their communities.

### **Viva Rio.**

Viva Rio is a dynamic NGO whose mission is to promote a culture of peace and justice in Rio de Janeiro. To that end the organization works in the areas of human rights, education, sports, environment and community development. All together, Viva Rio works with close to 400 low-income communities in 34 municipalities in the state of Rio de Janeiro. It also has an innovative series of programs related to internet & technology, micro-credit and fair trade that are proving extremely successful in linking low-income communities to new markets.

Through its partnership with O Globo, Viva Rio has worked to bring internet access to low-income communities through the installation of "Future Stations" in favelas throughout the city. In addition to providing low-income communities with internet access, Viva Rio facilitates the exchange of information between the favelas and the "internet community." Specifically the two partners are developing the first websites to post articles written by and for low-income communities. Leaders in the community send articles and information to Globo.com reporters to be edited and put on the website, [www.vivafavela.com](http://www.vivafavela.com).

Viva Rio also provides a variety of credit and financial literacy programs to micro-entrepreneurs and low-income community members. VivaCred, Viva Rio's flagship credit program has provided over US\$5 million in low-interest loans. The VIVASEGURO program informs community members about insurance and savings as well as providing life and health insurance services.

Coupled with its efforts in technology and microenterprise development, Viva Rio established a Fair Trade initiative. The initiative links products made by low-income communities into national and international markets. Business clients include Lojas Americanas, Hermes, and the World Council of Churches. One of the most visible relationships the initiative brokered in 1992 was with women micro-entrepreneurs. On behalf of these women, Viva Rio negotiated a major contract for the manufacture of T-

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Between 2001 and 2004 the Inter-American Foundation will commit US \$314,200 to Viva Rio. Additional inputs from O Globo, BP Amoco and other sources totals US \$1.000.000.

\*The scope of Viva Rio's activities goes beyond IAF funded projects.

shirts for the world's largest outdoor concert, Rock in Rio, which was sponsored by O Globo.

### **Viva Rio, O Globo and the IAF.**

In an effort to expand of the success of the Rio Rock Concert deal, the IAF made a grant to Viva Rio to further develop the potential for women-led sewing cooperatives. While Rio Rock was an enormous first step, women clothing manufacturers continue to face obstacles in managing their production in synch with seasonal demand for their products. Viva Rio is now helping the marketing efforts of six women-led sewing cooperatives through a dynamic partnership including the private and public sectors that will develop a virtual store on the [www.vivafavela.com](http://www.vivafavela.com) website. The store will sell products made in the favela communities. By opening these entrepreneurs to the global markets rather than restricting them to local ones, members of the sewing cooperatives as well as the larger favela community will have a more stable source of income. The store will also create the opportunity for these entrepreneurs to create a network by which to bid for larger contracts. The site will use the "VIVA RIO FAIR TRADE BRASIL" brand name for community made products.

Viva Rio realized that the sewing cooperatives would also need technical assistance in order to grow with increased demand for their products. As such, the grant will allow these sewing cooperatives to purchase equipment and receive specific training. Ten industrial sewing machines will be purchased to improve the quality of production. Courses in marketing and business development will be given by Viva Rio. Based on initial efforts under the grant, several retail shops have been opened in local malls, airport kiosks and booths in outdoor fairs to sell cooperative clothing and T-shirts.

Viva Rio is also tying in its "Future Stations" program by constructing three new stations in low-income communities. These stations will act as business centers providing a variety of computer and business management classes. Additionally the stations will provide access to Viva Rio's credit, insurance and commercialization services.

Finally, the IAF grant introduces a unique evaluation system that is client driven and based on feedback. Focus groups will be conducted where participants will provide their thoughts on whether the services they are receiving are relevant and beneficial so that Viva Rio can then better tailor the services offered to meet community member needs. This type of marketing methodology applied to community development work is revolutionary and illustrates the type of cross-over benefits that can occur in multi-sector partnerships.

### **O Globo.**

Globo Organizations (O Globo) is a media conglomerate owned by Roberto Marinho and his family. It includes broadcast, cable and satellite TV networks, newspapers, a publishing company, a radio network, and an internet portal. Last year, the network boasted revenues in excess of US\$2.5 billion. The company ranks among the top ten media companies in the world.

The partnership between Viva Rio and O Globo demonstrates that successful partnerships have both institutional and individual commitments. The relationship between Viva Rio and Globo is a solid and consistent one. The company, corporate foundation (Fundação Roberto Marinho) and the founder and president, Roberto Marinho are committed to the programs undertaken with Viva Rio. Specifically, O Globo has supported the development and maintenance of the [www.vivafavela.com](http://www.vivafavela.com) site through its internet company, Globo.com. In addition O Globo contributed over a million dollars to the creation and maintenance of the vivafavela.com website, and is contributing resources to the development of the virtual store. Both Roberto Marinho and Margarida Ramos, Director of Social Responsibility for Globo Organizations, are on Viva Rio's Board of Directors. Likewise, the director of Viva Rio, Rubem Fernandes, is on the Board of the Roberto Marinho Foundation. There is a consistent level of communication and commitment between partners that greatly facilitates collaboration on projects.

Both partners have benefited from their history of collaboration. Viva Rio has increased visibility for its social campaigns as O Globo brings well known personalities to Viva Rio events. For O Globo, Viva Rio is a reference point in community development work, and the partnership is a natural fit since the organizations share a common objective of promoting a culture of peace and bettering the lives of members of disadvantaged communities. It is also an efficient CSR program in that it is closely related to O Globo's core business of communications. As a result of the virtual store project, both Viva Rio and O Globo see new opportunities for more mutually beneficial collaboration. A program to allow community radio stations to formally spend time at O Globo radio stations will provide exposure to professional broadcasting for favela community members and improve local broadcast in the favelas; additionally the exchange will introduce new broadcast material for O Globo listeners.

#### **Lessons Learned:**

- Partnerships are strongest when they have both institutional and individual commitments;
- The strong relationship has allowed Viva Rio to capitalize on the company's media expertise by putting communications and technology to work for disadvantaged communities.

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