

Village Phone Rwanda's "Tel'imbere" Launches to the Cheers of Hundreds of Villagers

It was a beautiful mid-June day for the two-hour drive to the rural village of Gashora, Rwanda and the launch of Village Phone Rwanda's "Tel'imbere" service. The lush green countryside and friendly waves from Rwandans bustling along the road showed the country's welcoming face. Yet Rwanda, known as the land of a thousand hills, suffers severe poverty. With more than half of Rwandans living on less than a dollar a day, the constant struggle to survive preoccupies all too many families.

Grameen Foundation USA's Village Phone is an innovative program that connects rural villages to the world via mobile phone. Housed in local microbusinesses, the mobile phones are operated by the shop owner, who serves as the Village Phone operator (VPO). The VPO charges the customer for the phone time, making it a profitable microbusiness as well as a means of vital communications for the village.

GFUSA joined with MTN Rwanda, the country's largest mobile network provider, to form Village Phone Rwanda. This joint venture will be rolling out 3,000 phones over the next three years via partnerships with three Rwandan microfinance institutions (MFIs) -- Urewego, Vision Finance and CARE. These MFIs provide microloans to local clients to establish the Village Phone businesses.

The launch was held around a stage at the village center, where more than 500 villagers were joined by local, national and international dignitaries and guests. It soon transformed into a village celebration with traditional drummers and dancers, world beat music, and actors demonstrating the many uses of a village phone.

Surrounded by excited children, Rwandan government minister Protais Musoni placed the first call in the small bike repair shop that now houses Gashora's first Tel'imbere. Shop owner Pierre Bizimana beamed with satisfaction as Rwanda television cameras recorded his new business venture. "This is so important to my business and my village," said Pierre. "It is good for us to make progress. We will be able to live better."

Bringing telecommunications to the rural poor

The Grameen Technology Center is replicating one of the greatest success stories in international development, the Grameen Village Phone Program from Bangladesh. In rural villages where no telecommunications services have previously existed, the program provides cellular phones via a sustainable financing mechanism to poor entrepreneurs who use the phone to operate a business.



In its first replication, the Grameen Technology Center established a joint venture with MTN Uganda to create MTN villagePhone in Uganda. Over 2,000 village phone businesses are now operating in remote villages of Uganda with more being added every day.

Following the initial success of the Uganda Project, the Grameen Technology Center is now shifting its primary efforts to launching a replication project in Rwanda. A pilot program is currently underway in collaboration with MTN Rwandacell and three leading Rwandan microfinance institutions, creating fifty new phone businesses in rural villages.