

# An open-source platform for international development

Food insecurity, climate change and global poverty can be tackled by channeling public and private resources towards projects, ideas and individuals focused on rethinking the foundations of our economic system. This document presents a general framework aimed at facilitating this process through the development of an open-source collaborative platform dedicated to the design and implementation of technological and social innovations.

## 1/ The problem

One billion people are currently living in slums, lacking access to basic infrastructure such as safe drinking water, sanitation, electricity, health services and education. The United Nations [estimate](#) that this number is likely to triple by 2050 if no alternative development strategies are elaborated. The current approaches endorsed by donors and development organizations suffer from three primary limits:

1. **Misalignment between investments and needs.** A large share of development aid does not reach the sectors with the highest multiplier effects or the populations most in need. Instead, aid is often allocated to the projects fitting best donors' constraints. These constraints can be related to the financial instruments available (grants, loans, debt relief), to donors' history (the funding of many projects is just renewed year after year), to political pressures or lobbying. Added up, these constraints leave little room for the elaboration of coherent strategic orientations.
2. **Inefficiencies in the allocation of financial resources.** A large share of development aid is not used to fund development activities *per se*. Development grants are actually mainly used to: (i) pay the salaries, pensions and working conditions of international development staff, consultants and public officials; (ii) deal with the organizational complexity of large bureaucratic organizations<sup>1</sup>; and (iii) pay for communication expenses (fund raising, accountability measures, etc.).
3. **Disconnect between private investment and the bottom billion.** Investment opportunities aimed at the bottom billion remain rare. This segment of the population is generally either considered as a negligible consumer market or as cheap labor force for existing markets. The bottom billion could however be considered from a third angle: as a productive labor force for creating new markets. In an open economy, these new markets could serve three purposes: increase exports, decrease imports and serve the productive force itself<sup>2</sup>.

## 2/ The objective and underlying vision

The immediate objective of the platform is to **channel public and private resources towards productive activities aimed at:** (i) employing and serving the bottom billion; (ii) responding to their primary needs (from housing to food security and health services) ; and (iii) connecting them to existing markets (both nationally and internationally).

Since the industrial revolution, cities have attracted rural populations in search of work opportunities and improved living conditions. The lack of work, space and infrastructure in urban settlements makes this migration process both fruitless and unsustainable. Creating a productive environment in rural areas could stop and eventually reverse this dynamic while solving a number of underlying challenges (e.g. desertification, food insecurity). Therefore, the underlying vision of the project is the creation of **a rural development model designed to serve the local population and attract urban dwellers** in search of work opportunities and better living conditions.

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1 e.g. software expenses to manage fund disbursement and traceability, travel expenses for organizations' representatives,

2 In other words, the productive force creates its own market. As Jean-Baptiste Say pointed out in the early 1800s, "the more men can produce, the more they will purchase".

### **3/ The strategy**

The design, implementation and testing of a new development model, efficient and adaptable to different contexts, will require an iterative process composed of four primary steps:

1. ***Develop a new conceptual framework.*** Both large and small-scale approaches to rural development have been tried in the past and most attempts have failed in delivering expected outcomes. A new approach is needed, one taking stake of past mistakes while taking advantage of the availability of new technologies. Rural development must be thought of in an integrated, systemic and cyclical way. Using the right technologies and processes, small socio-economic units should be able to produce : (i) the vast majority of essential good and services sought by rural dwellers ; and (ii) exchangeable goods and services for external markets (local, national or international). These socio-economic units will be referred to as Integrated Development Projects, IDP (see annex 1 for details).
2. ***Create a dynamic and open-source repository of innovative projects.*** Creating a self-sufficient system providing all basic amenities to a population lacking both financial resources and training will require innovative breakthroughs in terms of technology, organizational processes and economic models. The platform needs to provide a framework facilitating: (i) the publication of detailed information (schematics, costs, contextual data, limits, etc.) on innovative projects; (ii) the search of documented solutions to specific problems; and (iii) the selective dissemination of this knowledge across different contexts (see annex 2 for details).
3. ***Create an inclusive collaborative framework.*** The design, implementation and evaluation of technologies and processes needed to build IDPs can only be conducted successfully if a broad range of actors are involved at each of these three steps. Relevant expertise and contextual knowledge can come from a diversity of agents - researchers, public officials, private companies, development practitioners and regular citizens. The platform will have to provide the tools allowing for open, autonomous and decentralized collaborative processes (see annex 3 for details).
4. ***Develop ad hoc funding mechanisms.*** The implementation, testing and dissemination of these technologies require both public and private funding. The economics of innovation leave room for both public and private funding. While public funding can be used to kickstart a project and test it in different contexts, private funding can be used to scale the project once its effectiveness has been demonstrated. The platform will have to provide funding mechanisms adapted to different types of projects, different types of actors and different types of funding modalities (see annex 4 for details).

### **4/ The economic model**

The platform will be able to generate revenues through three types of modalities: (i) a commission charged to public and private funders after each successful funding round; (ii) equity given by startups funded through the platform ; (iii) a commission charged on all funding secured by a working group of the platform (see annex 5 for details).