

Partnership Snapshot: Upaya: CityCargo Capacity Building for Self-Employment in the Digital Marketplace

Upaya: CityCargo's partnership with the UKaid Skills for Employment (सीप) Programme is designed to build digitally-literate and-connected Nepalis who are able to reap the benefits of the country's transition to a digital economy. Nepal is headed towards a digital disruption along the lines of the post-Jio scenario in India and the dot com boom in the United States. Internet penetration is on the rise and the use of e-commerce is growing at an impressive rate. Promising e-based startups are creating a mark. Tech enabled logistics providers, a critical pillar of the e-commerce ecosystem, was however missing.

Upaya: CityCargo, entered the market in April 2019 to fill this void with a tech-based on-demand, intra-city logistics service. Upaya's system aggregates logistics demand and closes information gaps; when a trip is requested, drivers nearest to the customers—tracked on a real time basis using geolocation—are assigned the trip to ensure quick turnaround. UKaid सीप's partnership is also helping propel Upaya's foray into agriculture. Upaya has made a strategic investment in DVExcellus ("Kheti"), an online marketplace for farm products and provider of end-to-end solutions for farmers and small agri-enterprises, to connect farmers directly with consumers (eliminating the need for middlemen), bringing farmers into the fold of e-commerce.

KEY FACTS:

Duration: February 2021 - January 2022

Geographic Coverage: Kathmandu, Butwal, and Pokhara

Intended Impacts:

- Develop a cohort of digitally literate human power—2,000 two-wheeler and four-wheeler drivers on Upaya's logi-tech platform and 600 farmers on the Kheti Food platform—ready for tech-enabled jobs.
- Expand self-employment opportunities. Current average earnings of CityCargo's four-wheeler driver-partners is approximately NPR 40,000/month (£ 242), significantly higher than other commercial drivers.

UKaid सीप's partnership with Upaya is designed to accelerate and strengthen its digitally-powered intervention to spur growth of e-commerce and address systemic logistics gaps in the supply chains for various sectors (like agriculture and manufacturing) by building digitally literate workers and transforming self-employment pathways for drivers and farmers.

Summary of Key Activities

Generate skilled and productively self-employed driver partners

1. Implement market development strategies in new expansion geographies (i.e. Butwal, Bhairawa, and Pokhara) to service untapped markets; and enter the two-wheeler market segment, in addition to four-wheelers, to service the rapidly growing e-commerce-based enterprises.
2. Mobilize and onboard driver partners. Upaya is mobilizing social media and coordinating with automotive dealers, NGOs, and other firms to leverage their channels (targeting transportation hotspots) and platforms to build awareness and attract driver partners.



Photo: Upaya's driver partner, Laxman Bishwokarma, delivering food and medical essentials in Kathmandu / Courtesy: Upaya

3. Design and implement job seeker-centric and market-relevant curricula and training. The training has been tailored to help prepare the participants (i.e. underemployed drivers and new drivers) to successfully join and reap the benefits of the digital economy. Training is delivered via a blended medium—classroom, online, and on-the-job—and features a four-part module covering digital literacy, financial literacy, customer relations, and vehicle maintenance and road safety. Training is conducted free of cost as part of its on-boarding process on the Upaya/ Kheti app, and digitized to optimize cost and ensure use even during periods affected by COVID-19.
4. Strategic partnerships forged with Kumari Bank and Siprodi Trading. Post-training, self-employment is enabled through an attractive financing package developed in partnership with Kumari. Returnee migrants and other job seekers are able to buy pickup delivery vehicles directly from the authorized distributors like Siprodi—distributor for Tata vehicles in Nepal.
5. Integrate inclusion-building and green actions. While the transportation sector is fairly inclusive for disadvantaged groups, Upaya is actively promoting and seeking participation of women drivers and bikers and also exploring 'green actions' such as by exploring opportunities to promote electric fleets for greener mobility/ e-mobility.
6. Provide co-branded certification with Khalti and Siprodi to build recognition of self-employment as a driver partner with Upaya.

Agri-business integration to improve market access for farmers

1. Upaya: CityCargo is developing and delivering a similar skilling model for farmers (as with driver partners) focused on digital literacy, digital payments, and customer service.
2. Map and onboard farmers to provide market access and agri-logistics through online and offline communications. Upaya: CityCargo will incorporate 600 farmers and their agri goods on the Kheti app based on field-based assessment of agri-business across 11 target districts.
3. Evaluate Kheti's Farm Management Tool for efficient supply chain management to ensure that Kheti and farmers both use data to manage farm produce and predict output and harvest quantities. These predictions will enable better connections to B2B customers.
4. Integrate agri-logistics platforms such as cooling boxes and load pooling mechanism to improve the supply chain for perishable agri goods and help the farmers to fetch a fair price.