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## Peace Dividend Trust Finds New Business Frontiers ... in Afghanistan

By [Jenara Nerenberg](#)

**BUY LOCAL.  
BUILD AFGHANISTAN.**

تولید ملی، آینده عالی  
د هېواد تولید،  
د هېواد پرمختګ

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Scott Gilmore started the [Peace Dividend Trust](#) [1] and the [Peace Dividend Marketplace](#) [2] as a way to cut out middle men in the international aid industry and to connect local suppliers with international buyers. As business and international aid continue to dance and intermingle, a subject covered extensively by the likes of AidWatch and NextBillion.net, Gilmore has squeezed unprecedented potential out of what some might consider one of the the least likely trade nations on the planet: Afghanistan. He talked to FastCompany.com about the Peace Dividend Trust and Marketplace and why his approach isn't as absurd as some might think.

### What is the Peace Dividend Trust and the Peace Dividend Marketplace?

PDT is a charity founded by a group of aid workers, diplomats, entrepreneurs and peacekeepers who were frustrated at how the strategic impact of aid was being severely hampered by the inefficiencies of the nuts and bolts of missions (like procurement, planning, HR, etc). PDT's mission is to rethink and change the way aid and peacekeeping is delivered. We do this by finding, testing, and implementing new operational ideas for improving aid. Some have described us as a do

tank or an "aid lab", Currently we are 150 people working in 6 countries with HQ in NYC.

The Peace Dividend Marketplace is a unique project that we originally piloted in Afghanistan but which is now in Haiti, Timor and soon Liberia. We launched it to address the problem that on average only 5-25% of aid budgets actually enter the local economy. The rest is spent on flying in goods or hiring international staff. The project creates a path of least resistance between international procurement officers and local vendors by delivering 5 services:

\* Training local entrepreneurs on how to find and bid on international contracts \* Translating and distributing international tenders locally \* Maintaining an online database [3] of local entrepreneurs who we have personally verified \* Matchmaking large scale international procurement needs (like bottled water for a big UN mission) to local vendors \* Advocating for the concept of buying local with our "Buy Local - Build Afghanistan (or Timor or Haiti) campaigns"

Results to date have been extraordinary. In Afghanistan we have redirected over \$485m of new spending into the local economy, money that otherwise would have been spent in Dubai or Europe. As a result, we were awarded the Skoll Award for Social Entrepreneurship this year, which came with a \$750k prize.

### **How did you get involved in Afghanistan?**

After helping the UN to measure the local economic impact of all its aid missions, senior UN staff in Kabul asked us in 2006 to help them find ways to find and use Afghan entrepreneurs. This idea was soon embraced by the US Government in their Afghan First policies and later by other donors, too.

I, personally, first became involved in 2002 as a Canadian diplomat who was responsible for Canada's South Asian interests and oversaw the team that opened our first Embassy there in 2003.

### **What's your take on Wikileaks?**

It is fascinating reading, and provides a massive set of examples to illustrate the staggering challenges facing the international community there. For those working on Afghanistan daily, and working outside of the wire or outside of the bubble in Kabul, however, there are few overall surprises.

### **Skeptics would say doing business in Afghanistan is absurd. What's your answer?**

Afghanistan has been a trading nation, sitting right in the midst of global trading crossroads, for thousands of years. It has a very entrepreneurial culture and a business community that has survived decades of war. As a result, it is one of those places where there is a real vibrant business culture like Hong Kong or Singapore. I like to tell people that if you gave me a random list of goods or services, I can find them quicker in downtown Kabul than I can in mid-town Manhattan. Doing business in Afghanistan is far from absurd. And in fact, from a political perspective, given that economic growth and stability are the only ways out of this conflict, it is the most sane thing we can do.

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**Links:**

[1] <http://www.pdtglobal.org/>

[2] <http://buildingmarkets.org/>

[3] `”http://www.google.com/url?q=http%3A%2F%2Fwww.buildingmarkets.org%2F”`