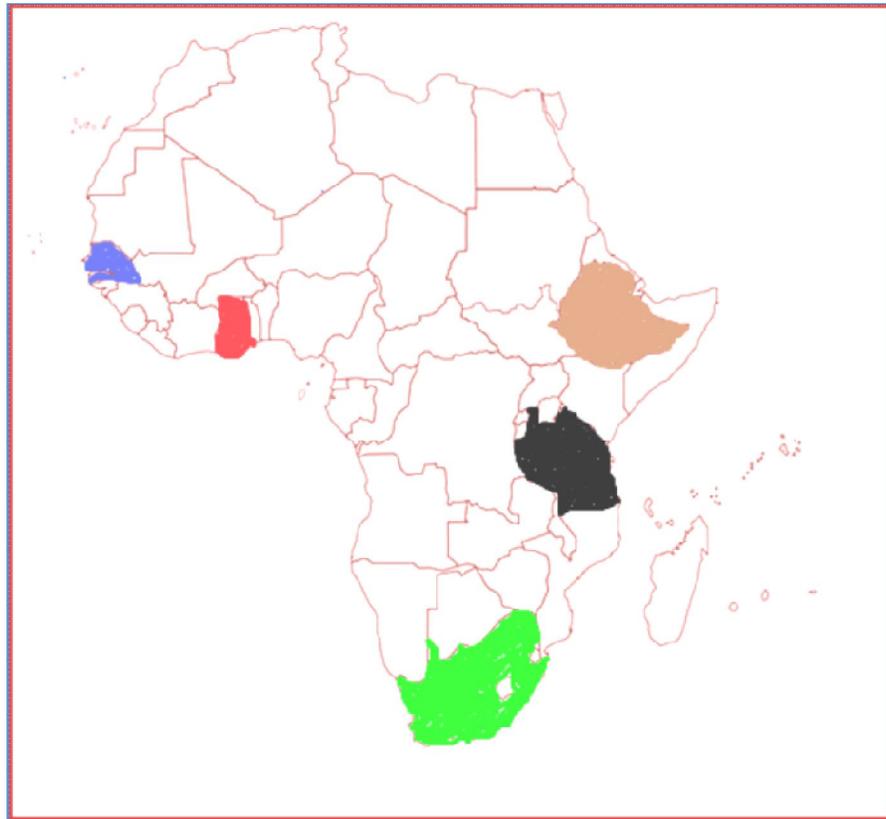


Strengthening African People's Organisations and NGOs-“SETU- Africa”

Report of visit to ETHIOPIA



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BACKGROUND

Over the years, SEWA has developed close associations with people's organisations in South Africa, Ghana and Nigeria to promote the rights and well-being of informal workers, especially women. Based on these interactions, it was felt that there is a lot of scope for exchange of ideas and the need for an interaction platform between SEWA and its counterparts in African Countries.

As a part of this approach, VimoSEWA and its sister organizations are undertaking the SETU - AFRICA project to develop an understanding of the needs of poor people, especially women, in five African countries. If there is substantial interest SEWA is hoping to promote collaboration, mutual learning and exchange of ideas and experiences on the following activities:

1. Microfinance—promotion of self-help groups to provide integrated financial services (savings, credit, insurance and pension), their capacity-building and extension of financial literacy.
2. Microenterprise and Livelihood Promotion---examining what is feasible, markets etc and then helping organisations set up their own viable microenterprises.
3. Microinsurance---developing plans for extending microinsurance to local communities, especially women, and then capacity-building to help local organizations implement this.
4. Health and Child Care---developing appropriate systems (tailored to local conditions and needs) to reach local communities, especially women and children, with basic primary health care, including health education and life-saving information.
5. Capacity-building for leadership, management of their own activities and running their own organizations.

The SETU-Africa project started with some preparatory work in terms of human resource hiring, setting up financial and administrative systems, orientation of team and in-depth desk research of the operational countries.

South Africa was chosen as the first country in this project based on SEWA's linkages and past experience with partner organisations in that country, apart from our common history and legacy of freedom struggle.

Ethiopia is the second country which was visited under the project. Ms. Mirai Chatterjee of SEWA Social Security had met with Ms.Tsigie Haile of Women in Self-employment (WISE) and Ms.Tegeste Belayneh, a journalist and poet on earlier occasions. Ms. Haile in fact visited SEWA in 1996 and incorporated many of her leanings when she set up WISE in Ethiopia in 1997. WISE expressed an interest in partnering with SEWA for the SETU-Africa project, and this led to the plan to visit Ethiopia in August 2013.

A team of nine persons from SEWA visited Ethiopia from August 18-29. The list of SEWA persons and the visit program is given in Appendix 1. The visit had three main components. These included a three day workshop, field visits to civil society organizations and meetings with senior government officials.

Structure of Report

This report is organized as follows. In the next section we present our observations and findings about the status of six domains, viz. microfinance, micro enterprise and livelihoods, micro insurance, health, child care and capacity building, which comprise SEWA's integrated approach. This section also presents a brief discussion of the legal environment for the Civil Society Organizations in Ethiopia today.

This is followed by a report on the three day workshop organized from August 22-24, 2013 at the WISE office in Addis Ababa. Each of the sessions and the ensuing discussion is presented briefly.

The third section describes our field visits and summarizes our discussions with senior government officials.

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BACKGROUND ON ETHIOPIA

Ethiopia¹ is the second-most populous country in Sub-Saharan Africa with a population of about 85 million. The country's per capita income of US\$370 is substantially lower than the regional average of US\$1,257. The economy has grown at an average of 9.9% in the last few years, mainly through expansion of the services and agricultural sectors. In 2005, 16% of population was urban²;

For much of the 20th century, Ethiopia was ruled by highly centralized governments. The current ruling party, the Ethiopian People's Revolutionary Democratic Front (EPRDF) has governed Ethiopia since 1991. The EPRDF has led an ambitious transition to a more democratic system of governance and has tried to devolve powers to regional states, woredas (district authorities), and kebeles (village authorities).

As of 2011-2012, 29.6%, Ethiopians live in extreme poverty (as measured by the national poverty line, of less than US\$0.6 per day).

Over the past two decades, there has been significant progress in key human development indicators: primary school enrolments have quadrupled, child mortality has been cut in half, and the number of people with access to clean water has more than doubled. These gains, together with more recent moves to strengthen the fight against malaria and HIV/AIDS, paint a picture of improved well-being in Ethiopia. The government has started constructing condominiums (apartment blocks) for low and middle income families. The family pays a down payment ranging from 10 to 40% and the remaining amount is available as a loan from the government.

In January 2009, the Ethiopian Parliament passed legislation to regulate civil society organizations (CSOs). While many CSOs had long argued for a new and coherent framework, the new law is restrictive in demarcating areas of operations for different types of CSOs (for example by excluding those receiving more than 10% of funding from external sources from many areas of activity). The government and the Development Assistance Group (DAG), comprising bilateral and multilateral donors, have agreed that the implementation of the CSO law will be reviewed regularly through their joint High-Level Forum structure.

A large proportion of workers are in the informal economy; the informal sector accounts for 45-50 percent of employment in all urban areas.³ According to a survey of informal economy workers in Addis Ababa⁴, challenges faced by these workers were lack of capital and lack of space.

Cultural norms still remain a huge challenge to a large number of women's employment in the formal sector. Ranging from domestic burden and early marriage problems, among others, most vulnerable groups particularly of those women of childbearing ages do not have

¹ <http://www.worldbank.org/en/country/ethiopia/overview>

² "Urban Poverty in Ethiopia :A Multi-faceted and Spatial Perspective", Elisa Muzzini, World Bank 2008

³ "Unlocking Productive Entrepreneurship in Ethiopia: What Incentives Matter", Brixiova. Z. and E. Asaminew, African Development Bank Working Paper No 116, December 2010

⁴ "Baseline Survey Report on the Informal Sector in Addis Ababa" AMBA Consult PLC, November 2010

access to SRH.⁵ Women face similar barriers to those faced in India in terms of mobility and taking up work outside the house, given household responsibilities being primarily her domain.

⁵German Foundation for World Population (DSW) Ethiopia Brief, Jan-Feb 2011

SECTION 1

DISCUSSION ON SIX KEY DOMAINS COMPRISING SEWA'S INTEGRATED APPROACH

1.1 Microfinance

Microfinance in Ethiopia started formally in 1994-1995. In 1998, organizations engaged in financial functions were separated from those providing development services, and NGOs are now prohibited from engaging in financial services. The licensing and supervision of Microfinance institutions (MFIs) by the government encouraged the spread of MFIs in rural and urban areas.⁶

Observations

Financial services to the poor are provided by microfinance institutions (MFIs) and savings and credit cooperative societies (SACCOs).

The government supports MFIs in various ways, including providing credit guarantees and tax exemptions. MFIs are legally allowed to mobilize savings, and 31 MFIs are registered with the National Bank of Ethiopia. As of March 2013 there are 2.6 million active borrowers, almost half of which are women. MFIs in Ethiopia are highly transparent. Officers of the National Bank can come at any time to inspect the books of the MFI. There is a lot of information exchange amongst MFIs.

The Rural Financial Intermediation Program (RUFIP) is a fund supported by some multilateral agencies for providing loans through MFIs and selected cooperatives. This fund is favouring larger MFIs.

SACCOs are supervised by the Federal Department of Cooperatives who grant a license to the SACCOs and also conduct an annual audit. SACCOs are not required to pay income tax on their profits. While the SACCOs are federated at zonal and regional levels, there is no national level federation of SACCOs. Rural cooperatives get funds from the government at 6% per annum. SACCOs are generally managed by skilled staff members, and retention sometimes becomes an issue. One of the SACCOs we visited was paying its manager 1500 birr per month. The manager found a higher paying job in a formal sector bank and resigned from the SACCO.

SACCOs in rural areas partner with organizations like WISE to provide business skill and other trainings for their members. The rural SACCOs we met did not have loan insurance.

Many of the current SACCOs in the rural areas we visited were promoted some years ago by VISION, an NGO working in the area. After being formed, these SACCOs were given a variety of trainings by VISION on business skills, leadership and health. VISION also distributed materials related to the trainings.

⁶A Review of Ethiopian Micro Finance Institutions and their Role in Poverty Reduction: A Case Study on Amhara Credit and Saving Institution (ACSI), YM. Venkata Ramanaiah and *C. Mangala Gowri, January 2011

WISE System

To get a loan the minimum saving required is 100 birr and the first loan is 1000 b. The loan is in proportion to the savings. The first loan is upto ten times the savings, the second upto five times the savings and the third upto three times the savings.

Loans are given only to women with ID cards because that is proof of residence. Also if a person has a poor repayment history, she will not be given a fresh loan.

Each borrower is given training in business skills before she is given her first loan.

Loans are given at 16% on a declining balance while deposits earn an interest of 5%. The average savings per member is between Birr 10 to 200 per week.

We met several SACCOS that had been promoted some years ago by an NGO. Even though the promoting organization had withdrawn, the SACCOs were continuing to function. Many SACCOs have both women and men members in the same SACCO, though the women members outnumber the male members.

A large proportion of SACCO and MFI members are women, and they take loans for a variety of reasons including consumption and for promoting their businesses.

Challenges

Microfinance seems to be widespread through SACCOs and microfinance institutions. However, several persons we met said that collecting savings from members was a challenge. Other challenges faced by the microfinance sector are unmet demand for loan capital, weak MIS, limited human resources and uneven coverage in the country. For instance the response to microfinance has not been positive among the pastoralist communities. Poaching of skilled staff from SACCOs by the formal sector was also mentioned as a challenge. MFIs are trying to improve their range of products to expand the net of financial services among communities.



Collection centre

Inputs from SEWA

SEWA's can provide several inputs into microfinance sector. SEWA's experience in product development, especially with regard to various types of savings products to encourage savings can be usefully shared. The need for financial literacy came up very strongly – such inputs would also enable women to appreciate the value of saving.

1.2 Microenterprise and Livelihoods

A large percentage of the workforce is in the informal economy, primarily in services and trade. At the central level, the government has established the Federal Micro and Small Enterprise Development Agency (FEMSEDA) for promoting micro and small businesses. Under this initiative, a focus area is youth and women. The promotion of MSEs is seen as a vehicle of overall development.

Textiles and garments are one of the priority areas for FEMSEDA, and one of the activities promoted by the MIS handloom weaving. We visited a weaving centre in Addis Ababa which is supported by the government. Weavers are provided looms in a weaving shed set up by the government. Weavers can use the looms for weaving and they can gradually pay for these and own the looms.



Ethiopian woman working on looms

The government also promotes cooperatives as was evident in our meeting with the Deputy General Director of Ethiopia's Federal Cooperative Agency (FCA). The most common types of cooperatives are agricultural, dairy, savings and credit, housing and consumer

cooperatives. We did not come across any cooperatives for group enterprise and income generation in urban areas.

According to discussions with workshop participants, there has been limited success in establishing group enterprises. While individual businesses are able to succeed, the same is not true of group enterprises. Entrepreneurs face problems of capital, raw material and marketing.

Livelihoods in rural areas

Farming and livestock are the primary activities of rural households. Commonly grown crops in the area we visited are maize, teff and sorghum. During our field visits to the rural areas around DebreLibanos, we saw the presence of primary milk cooperatives in several villages. These primary dairy cooperatives in rural and peri-urban areas purchase milk from local farmers for processing and marketing.

During our visit we met with members of a milk processing cooperative which has recently been promoted by an international NGO. The cooperative works in conjunction with the local government officials from the FEMSEDA and have been promoted by SASAKAWA Global 2000 programs.

Livelihoods in urban areas

Women and men in the informal economy are clearly visible in urban settings. The most visible in Addis Ababa were shoe shines sitting in large numbers on most pavements of the city. The average cost of getting a pair of shoes cleaned is Birr 1-3 birr. Almost all the shoe-shines were men. Other vendors were selling fruit and vegetables, mostly at small stalls. Hand-carts for vending were not visible.

From conversations with SACCO members we learned that common trades for women include injera baking, selling spices and old clothes, and renting beds to people visiting the city.

Challenges

Access to credit and space are challenges faced by informal economy workers in urban areas. During the workshop the official from FEMSEDA mentioned that there is a lack of knowledge about when to take credit and how to use it. She also mentioned that a challenge they faced is that borrowers want long term support and are unable or unwilling to return the loan in a short time.

Also, we did not come across any organizations of workers or any group enterprises. Women's self-help groups are not common in Ethiopia and not recognized by FEMSEDA.

Inputs from SEWA

Livelihoods can be strengthened in both rural and urban areas. There is a potential to promote women's cooperatives for income generation based on SEWA's vast experience in the area. In rural areas, agro-processing can be promoted through group enterprises owned by women, such as cooperatives. The inputs can include organizing individual women,

providing technical and management inputs and making linkages with the market. Finance can be made available through SACCOS and MFIs.

SEWA's rich experience in working with vendor and self-employed women in urban areas should be leveraged to increase the earning potential of women in the urban areas. Street vendors can benefit from the experience of SEWA and local organizations for supporting street vendors can be promoted.

1.3 Child care

Child care services emerged as a major lacuna. There is no government funded or supported child care program. There are a few privately run child care centres, but these are expensive, and cost approximately Birr 200-500 per month. In these privately run centres, children are expected to bring their own food.

It is common practice for older siblings and grandparents to look after young children when parents go to work.

A few organizations who work with women and children are planning to set up centres for children (day care centre) for poor children, young girls who were victims of rape or were seduced and newly born babies. One such is MESERAT Humanitarian Organization established in 2011.

Another organization working with children is 'I CARE FOR THE NATION'. They are also planning to institute a day care programme for children under 3 years of age. Lack of funds has been the major reason for delay in starting this program.

Challenges

Given the absence of child care services for the majority of self-employed women, it may be a challenge to build the confidence among women workers to leave their young children in the care of professional child care facilities. Finances for the centres will also have to be sourced either from the government or from donors, both national and international.

Inputs from SEWA

SEWA's experience has shown that having child care centres for children of working mothers enables the mothers to earn better incomes, enables older siblings to attend school instead of looking after younger siblings and also provides nutrition and educational inputs to the young children who come to the centres. The facility of child care thus benefits the entire family and improves its quality of life.

SEWA's vast experience in running child care centres can be used to set up similar centres in Ethiopia. SEWA can facilitate training of teachers and can provide inputs on educational and recreational resources for children at the centre. SEWA can also help in creating community buy-in into the centres and share its creative and innovative techniques for raising funds for running the centres.

1.4 Health Care

According to local leaders we met, the government health care services have improved in the last few years. Health centres have been established and health extension workers visit rural areas.⁷

Traditional healing practices are more prevalent in areas where medical services are scarce especially in rural regions. Some harmful traditional practices still continue and some NGOs are working to create awareness about these. The practices include female circumcision, early marriage and removal of the adenoid glands at a young age. Rape and abduction also occur.

The government provides some free food to HIV/AIDS affected persons. There is also a Food for Work program under which recipients are paid in kind for labour performed. Moreover, the government has introduced a health extension scheme whereby extension workers provide door-to-door education to the community both in urban and rural areas.

Anaemia is a problem, but more so in rural areas. Organizations like WISE teach good iron-rich foods that are less expensive than meat and also teach cooking techniques to retain nutrition in cooked food.⁸

Challenges

The public health system has improved over the years but there is still a need for health education in the community. Organizations like WISE do conduct health education for their members, but the availability of health education for non-SACCO members is not clear. Harmful, traditional practices persist and are detrimental to the health of women.

Inputs from SEWA

SEWA has carried out multiple activities to promote community health. These include preventive and curative health programmes such as health education, diagnostic and curative camps, and referral services. SEWA trains women from within the community as community health workers and provides door step services to promote better health. SEWA has also developed monitoring and management information systems to monitor its programs. SEWA has also worked with adolescent girls and boys and with men.

SEWA can work with local organizations and provide inputs in all of the above areas to improve the health of poor women and their families. It can also help civil society organizations in building linkages with hospitals and health care providers to enable improved access of poor women and their families to health care services.

⁷ However, it was observed that for major medical treatment, residents sometimes travel abroad. The project coordinator of SASAKAWA told us that she had recently been to a Delhi hospital for her husband's kidney surgery.

⁸ WISE mtg. 19.08.13

1.5 Microinsurance

The insurance market in Ethiopia is very small and insurance penetration is one of the lowest in entire African continent. The National Bank of Ethiopia is the insurance policymaker, regulator, supervisor and promoter of insurance business in the country. It is currently drafting a directive to regulate and provide a policy framework for microinsurance in Ethiopia which will provide much needed fillip to growth of the sector.

International organisations, such as the International Labour Organisation (ILO) are supporting a few insurance companies to pilot crop, livestock and life insurance.

Most of the microinsurance policies sold in Ethiopia are credit life policies and compulsory in nature. These are primarily sold by MFIs to borrowers and MFIs are themselves carrying the risk of these policies and as per the data presented by Association of Ethiopian Microfinance Institute (AEMFI) the claim ratio is favourable for MFIs. These policies are profitable for the MFIs but not the best value for the borrower's money. Also, the MFIs may not be able to cover the risk in the event of a catastrophe.

Microinsurance sold by formal insurance companies is at a very nascent stage; one example is the credit life insurance offered by Ethio Life and General Insurance company (ELIG) to WISE borrowers.⁹

The third microinsurance system is the traditional institution of Iddirs, which have expanded from being just burial societies to becoming multi-purpose social security institutions. These are membership based organizations and offer a range of services such as funeral insurance, health care cost coverage, short term loans, support during natural calamities, orphan support and supporting orphans and HIV/AIDS affected persons.

WISE also has a small health microinsurance program with 1000 members. Medical expenses upto Birr 300 per annum are covered and premium is Birr 5 per member per month.

Challenges

An in-depth analysis of the microinsurance sector shows some common challenges. The major challenges are:

- Lack of regulation for microinsurance – An enabling legislation will bring better results for the sector
- Unsatisfactory distribution channel- The structure of the Ethiopian insurance market, as well as the way in which distribution currently takes place, does not bode well for the development of a microinsurance market.
- High transaction costs due to dispersed population especially in rural areas.
- Limited technical capacity in formal insurance sector - There is no actuary available in Ethiopia and for pricing and other services organisations hire them externally.
- Absence of electronic management information systems (MIS).

⁹Appendix 2 carries a description of the policy offered by ELiG to WISE members

- Over dependency on Microfinance.
- Uneven competitive ground for financial players like-
 - Microfinance incomes are tax exempted
 - Microfinance's credit collection more or less enforceable by government
- Lack of awareness about microinsurance
- Unavailability of suitable products

Inputs from SEWA

SEWA's inputs into the development of microinsurance can be on multiple fronts. Member education and awareness should be the driving force in promoting microinsurance market. It is proven beyond doubt that poor women are insurable and are willing to pay for the services. Member's trust in service provider and timely compensation are key as the price of microinsurance is immediate but its benefits are distant. The simple and flexible mechanism adapted with local need and based on sound and basic insurance principles make the services viable as well as accessible. Inputs can also be given in product development particularly developing integrated products and management of the partner agent model with insurance companies.

1.6 Capacity Building

Capacity building is provided at various levels and by a variety of organizations. Organizations like WISE provide trainings on a range of issue from business development skills to gender training. They provide this training to members of their own SACCOs and also conduct training of trainers for other organizations.

WISE also has a home-based literacy training programme where literate children teach their mothers over nine month. The teacher is paid a stipend once the mother clears an exam administered by the organization.

There are also umbrella organizations which are networks of organizations. For instance, there is a network of microfinance organizations (Association of Microfinance Institutions in Ethiopia) which provides capacity building inputs to its members. Similarly, the Consortium of Christian Relief and Development Associations (CCRDA) and the Union of Ethiopian Women's Charitable Association (UEWCA) also aim at building capacities of their member organizations. UEWCA finds that most women focused organizations have capacity limitations in the areas of establishing systems and providing trainings and a couple of network organizations with development and women's development organizations as its members.

Inputs from SEWA

Members of SACCOs that we visited identified a number of trainings that they would like. Some trainings identified during fields are basic business skill development, leadership training, training on effective communication, how to writeproject proposalsand training on

problem solving. Some SACCOs we visited were maintaining manual books of accounts. Capacity building in computerized account-keeping could be given.

1.7 Legal Environment for Civil Society Organizations in Ethiopia

Charities and Societies in Ethiopia are regulated by Charities and Societies Proclamation (CSP) of 2009. Only Ethiopian resident charities that raise 90% or more of their funds from within the country can engage in activities related to human rights, gender equality, rights of children and PWD, conflict resolution and support to the judiciary. Further, each charity is required to fulfil the 70/30 requirement under which administrative costs cannot exceed 30% of the NGO's budget.

One of the impacts of the proclamation was that NGOs that earlier worked on advocacy and human rights faced tremendous challenges and had to re-orient their activities. The proclamation has also had an impact on the donor funding. There are a few federal tripartite forums which are working on improving the situation. Funds for organizations working on rights issues have reduced greatly, though some donors continued to provide development assistance through the government.

On the positive side, there are greater efforts for domestic resource mobilization and good efforts of CSO coalitions to engage in constructive dialogues with the government.

SECTION 2

WORKSHOP - "SOLIDARITY WITH PEOPLE'S ORGANIZATIONS AND NGOS IN ETHIOPIA"

A two and half day workshop was organized at the WISE office in Addis Ababa on August 22-24, 2013. The workshop programme is attached as Annexure 4. The list of participants is attached as Annexure 5.

Inauguration

The workshop opened with an all-faith prayer by the SEWA team, lighting of lamps by the guests and welcoming the key note speakers with a *khadiaanti* (garland).

Ms. Tsigie Haile, Director WISE, welcomed the participants and shared how WISE and SEWA had a long-standing association. Ms. Tsigie Haile came to visit SEWA in Ahmedabad in 1996 and spent a month understanding the organization. The formation of WISE was inspired by this visit to SEWA. The relationship between the two organizations was renewed when Ms. Tsigie met Ms. Mirai Chatterjee in Jerusalem in March 2013 at the International Women's Leadership Workshop for senior women leaders organized by the American Jewish Joint Distribution Committee (JDC). Ms. Haile said that the two organizations had now reconnected again August 2013, and hoped that this was the beginning of a long relationship between the two countries.

Ms. Mirai Chatterjee, Director, SEWA Social Security, joined Ms. Haile in welcoming the participants and expressed her appreciation of JDC's role in bringing WISE and SEWA together. She shared that the Ministry of External Affairs in India heard about VimoSEWA's capacity building activities in Namibia and invited VimoSEWA to take the learnings from SEWA to five African countries. This new project is entitled SETU-Africa (SETU means bridge in the Gujarati language). She said that SEWA already has links with some African countries, and looked forward to strengthening those and making new links with organizations and governments in the five new countries through the SETU – Africa project.



Inauguration of the Workshop

Mr. Shree Kant Kumar, Project Director for SETU-Africa and Chief Marketing Officer for VimoSEWA talked about the objectives of the project. The long standing bilateral linkages between the governments and businesses of the two countries will be well supplemented by exchange and sharing between the poor communities in the two countries. The conditions in rural Ethiopia are not very different from the conditions in rural India. The poor have a lot of power; it just needs to be leveraged to help them come out of poverty. The SEWA team wants to understand the good practices in Ethiopia and the challenges that are faced. The needs of the poor are multiple, and a single intervention, say education, is not enough. SEWA follows the integrated approach because interventions in bits and pieces do not work. We are hopeful that this engagement with people's organizations and NGOs in Ethiopia will lead to solutions and smiles on the faces of the communities we work with.

Key note Address by H.E. Genet Teshome, Director General Asia and Oceania, Director General FDRE, Ministry of Foreign Affairs

Mr.Genet Teshome congratulated VimoSEWA Cooperative Limited for being selected by the Ministry of External Affairs, India to work with five countries in Africa towards strengthening people's organizations and NGOs. He spoke about the history of Ethiopia-India relations and about the multifaceted bilateral relations between the two governments, and between the people and the businesses of the two countries.

Trade between the two countries flourished two thousand years ago, and Ethiopia was the first African country to establish diplomatic ties with India after it achieved independence in 1947. Today Indian investment in Ethiopia (in manufacturing, agriculture, agro-processing and mining) is the second largest overall and the largest in agriculture. The trade turnover between the two countries has been growing steadily and is now nearly 900 million USD.

Ethiopia has benefited from the line of credit from India which has been used for strengthening power projects and the sugar industry. Under the Indian Technical and Economic Cooperation (ITEC) programme, India has been offering capacity building for Ethiopian nationals. Other areas of capacity building have been in the leather and shoe design industry. Ethiopian nationals are also offered scholarships to study in Indian universities, and Indian faculty members teach in various colleges throughout Ethiopia.

Mr.Genet Teshome mentioned that Ethiopia continues to see India as a serious development partner in its efforts for poverty alleviation, economic transformation and democratization.

Address by Ms. Jayashree Kundu, First Secretary, Indian Embassy, Ethiopia

Ms. Kundu reiterated the points made by Mr. Genet Teshome about the long-standing and multi-faceted ties between India and Ethiopia. During the rule of Emperor Haile Selassie (1941-1974), a large number of Indian teachers were brought to Ethiopia and settled in different parts of the country. Dignitaries from the two countries have visited each other's countries over the years, and institutional frameworks of holding bilateral Joint Commissions and Foreign Office Consultations were established in 2007. A Joint Trade Committee has been set up for promotion of bilateral trade.

Ms. Kundu said there was scope for further strengthening ties between the two countries by increasing and diversifying trade, increasing investment and development of cooperation in education, science and technology and agriculture. Given the large rural populations in the two countries, much can be learned from each other in the areas of rural development and improving the conditions of women and children.

Address by Ms. Mirai Chatterjee, Director SEWA Social Security

Ms. Mirai Chatterjee, then gave an overview of SEWA, its history and approach. The Self-Employed Women's Association (SEWA) is a union of almost 1.7 million women workers of the informal economy. It was founded in 1972 by Ela Bhatt, a labour lawyer and organizer, and has grown from a few thousand women in Ahmedabad, Gujarat, into a national and international movement of self-employed women workers.

The roots of SEWA can be traced to 1917 when Mahatma Gandhi and Ms. Anusuya Sarabhai (the first Indian women to graduate from London School of Economics), began organizing the workers into a trade union in Ahmedabad, which was a hub for textile mills.

Ela Bhatt worked as the head of the women's wing in the union. In 1972, a small group of migrant women working as cart-pullers in Ahmedabad's cloth market came to meet her. She also met a group of women who were working as head-loaders, carrying loads of clothes between the wholesale and retail markets. Listening to their woes and needs, Ela Bhatt decided to form a union of informal sector women workers.

SEWA was registered as trade union registered in 1972. It is an organisation of poor, self-employed women workers in the informal sector. In India, around 95% of the workforce i.e. 45 million workers are in the informal sector. These are women and men who earn a living through their own labour or small businesses. These workers have no assets or access to any welfare benefits. They are poor, often illiterate and vulnerable. SEWA categories these women into four types of self-employed women workers:

1. Hawkers, vendors and small business women like vegetable, fruit, fish, egg and other vendors of food items, household goods and clothes vendors :
2. Home-based workers like weavers, potters, bidi and agarbatti workers, papad rollers, ready-made garment workers, women who process agricultural products and artisans.
3. Manual labourers & service providers like agricultural labourers, construction workers, contract labourers, handcart pullers, head – loaders, domestic workers and laundry workers. In addition to these three categories there is emergence of another category of women workers.
4. Producers & Services who invest their labour and capital to carry out their businesses. This category includes Agriculture, cattle rearers , salt workers, gum collectors, cooking & vending etc.

The Labour Department refused to register SEWA because they felt that it was not possible to have a union without a recognised employer. Ela Bhatt argued that a Union was not necessarily against an employer, but was for the unity of the workers. Finally, SEWA was registered as a Trade Union in April 1972.

Since then SEWA has grown continuously, increasing in its membership and including more and more different occupations within its fold. There has been no blue print approach but SEWA learnt from its struggles. Some of the key leanings over the years have been;

1. Organizing is an important principal for bringing about change.
2. Women are natural change agents. They are inclusive and they are willing to take risks.
3. It is important to have a grassroots based and membership based organization.
4. Poor women's organization can be self-reliant and sustainable.
5. Women need financial services.
6. Women are strong front line workers.
7. Over the years we have also learned that some critical avenues of action are required to help women emerge from poverty and to move towards self-reliance. These Four Pillars of self-reliance are:
 - a. Capitalisation—putting capital and other assets in women's name or at least in joint names with their husbands.
 - b. Social Security—at least health care, child care, insurance, pension, housing and basic infrastructure.
 - c. Capacity-building—to be managers, leaders and also to build up and develop their skills, and obtain new ones.
 - d. Voice and representation—so that they can effect change at all levels, from their communities to the national and international levels.
8. We have re-defined Self Reliance to mean not only financial sustainability but also decision making power.

Some of the major challenges SEWA are making women's organizations self-reliant. Capacity building takes time and effort. She also highlighted how as an older organization, SEWA was confronted with the challenge of keeping up the spirit of sisterhood in the next generation, and keeping the organization united. It also takes work to maintain positive and long term relationships with the government, with partners and with the external world.

Discussion about SEWA

There were questions about how SEWA creates employment and about the role of men, especially husband. Ms. Chatterjee mentioned that almost all poor women are engaged in some kind of work, but this is not seen as work. Under-employment is a bigger problem than unemployment. SEWA has organized workers for better wages, done skill upgradation, trained women in unconventional skills such as electric repairs and plumbing. SEWA was also a partner in lobbying for the employment guarantee act. Regarding men, when women are first approached to join the organization, SEWA workers also talk to the husbands. Men are allowed to observe all the meetings and soon they become convinced about the benefits.

Also, women are the entry point, and programme benefits accrue to the entire family. For instance insurance was first for women only, but soon coverage was extended to children and husbands based on the members' demands. In fact the leadership in SEWA has clearly said that they would not like to include men in the membership of SEWA.

Ms. Haile shared that WISE too is a women's only organization. Some men are suspicious about WISE. Some women come for meetings without telling their husbands, and when WISE gives loans the husband's consent is not required. Once the men see the benefits of their wives participation in the SACCOs they come around.

A new challenge some women face is that while their husbands were accepting of their earlier success, they begin to become resentful as their success rises further. Some successful women entrepreneurs face problems at home because they are praised by neighbours and family members for their entrepreneurial success.

WISE also has a regular 'husband's day', where husbands are invited. At these gatherings, WISE features stories of 'good couples' to set a positive example for the others.

There was a question about the issue of working with rural women and especially women who were illiterate. Based on SEWA's experience, it has been seen that lack of literacy is not a bar for organizing women. Women are able to understand the issues and join together to solve problems even if they have limited, or no, literacy skills. Also the process of organizing and capacity building takes time, and we have to persuade donors that we need to work at a pace that will create deep roots.

It is difficult for women to balance their multiple responsibilities, and many members complain of being sleep deficient.

SEWA has been successful in being the voice of its members and representing their issues at national and international levels because of its large membership.

Panel 1: Microenterprise and Livelihoods

Ms. Aster Seifu Federal Democratic Republic of Ethiopia Micro and Small Enterprises Development Agency (FEMSEDA)

Presentation: Ms Seifu discussed the federal agency responsible for promoting micro and small enterprises (MSEs) in Ethiopia. MSEs serve as incubator for developmental investor and are important in their utilization of local resources and generating employment. MSEs are expected to address problem of unemployment and build skills particularly among women and youth. Entrepreneurs will be given technical and business management trainings to enhance productivity.

SMEs act as sub-contractors for medium and large enterprises. The state has specific policies for fostering youth employment in the formal and informal sectors. There are interventions to ensure participation of rural youth in the construction sector, handicrafts sector and small businesses.

The priority areas for MSE development are textile and garments, leather products, metal and woodwork, construction, mining, agro-processing and trade and services.

Some of the challenges are abuse of support provided to entrepreneurs and resource limitations.

Discussion: Participants asked about the sectors that the agency linked up with and the implementation machinery for the MSE policies and programmes. They also asked about how the NGO sector could collaborate with the Agency.

Ms.Seifu said the MSE office also houses the credit section. She said that most of the time there is a lack of knowledge about when to take credit and how to use it. She also mentioned that a challenge they faced is that borrowers want long term support and are unable or unwilling to return the loan in a short time.

The department offers special packages for youth, particularly in rural areas. The agency also collaborates with NGOs and trainings are given through partnering NGOs. The government does not recognize the structure of self-help groups.

Ms.Tsigie Haile, WISE

Presentation: WISE (Organization for Women in Self-employment) was established in 1997. It drew on the experience of SEWA and started with 471 women and girls in three districts of Addis Ababa with three savings and credit associations (SACCOs). Currently WISE has 24,000 members in 7 sub-cities with 54 SACCOs. In addition, WISE works with like-minded partners in all regions and has reached 15000 women and men.

WISE aims to empower poor women and girls and contribute to the elimination of absolute poverty in Ethiopia. WISE targets self-employed and un-employed women and girls. WISE uses three main strategies, viz. organizing and institution development, enterprise development and learning and strategic partnerships.

WISE believes that organized groups are effective vehicles and financial services are critical because money is power. Knowledge is also empowering and WISE provides training on

entrepreneurship, life skills, health and literacy and other business development services. WISE shares its good practices and training expertise by capacity building of partner organizations.

WISE works in partnership with the government, with other NGOs with Community based organizations and with cooperatives.

Discussion: Ms. Hailie further shared that the initial literacy programme with women coming to a WISE center had failed and WISE had later developed a home-based literacy programme. In this programme, literate children of illiterate mothers taught the latter in their homes. At the end of the course the women had to take a test, and if they passed it, the child who had taught the mother was paid a nominal amount as a token. Now the government is promoting home-based literacy.

Regarding its microinsurance scheme, WISE ran it in-house till 2013. Starting early in 2013, they have tied up with Ethio Life and General Insurance for credit life insurance.

In answer to a question about group enterprise, Ms. Haile said that they have been unsuccessful in promoting group enterprises. While there are many successful women entrepreneurs, women find it difficult to come together for business purposes.

Film on Ms. Like Tolera, Member WISE, showing her struggles and her subsequent success.

Mr. Ranjit Dhar, SEWA Bharat

Presentation: Mr. Ranjit Dhar shared some of the income generating programmes promoted by SEWA through SEWA Bharat, which is a federation of member-based organizations of women workers in the informal economy. Mr. Dhar described the membership and organizational nature for a variety of income generating activities. Workers in Munger district of Bihar state have been organized into an Incense Stick Rolling cooperative and this provides livelihoods to 1200 home-based women workers. In addition, SEWA has promoted a Women's Producer Company, and both the units are profitable. In this same district, SEWA gives loans for the installation of solar home light systems, which has led to an increase in household income and improved education of children.

Bhagalpur district in the same state has a weavers' cooperative where skills have been upgraded and market linkages made. An artisan's cooperative in Delhi has organized 750 women artisans who have registered a producer company and are linked to domestic and export markets. In the hill state of Uttarakhand a producer's cooperative engages in organic agriculture. Through the cooperative, members have received skill upgradation, access to markets and leadership training. The cooperative produces turmeric and red chilli powder.

Discussion: There was some discussion on the supply and maintenance of solar lights. Ms Chatterjee mentioned that solar lights require some maintenance, and training youth in maintenance of solar lights is a good avenue of employment.

Regarding the issue of quality maintenance in production units, SEWA uses various strategies. In the case of incense sticks, team members of SEWA's production units take technical trainings on quality control from the multinational company that buys from SEWA and share this knowledge with the producers, who may be home-based. Similarly, members

of the artisan cooperative in Delhi are given trainings by highly skilled artisans. Members are also trained in grading the goods on the basis of quality. The companies that train the workers are paid for their inputs. Further, workers form a quality control committee and are paid based on the quality of their products.

Several participants wanted to know how group enterprises were successful and how people were brought together. Mr Dhar mentioned that there was no magic formula. Trainings bring people together. Also, having an integrated approach means that members come together through multiple activities because of their multiple needs. At the same time, not all cooperatives work, and some cooperatives have not succeeded, e.g. the stone cutters cooperative. Middlemen and contractors try and destroy worker's cooperatives and sometimes succeed.

Asked about working with other NGOs, SEWA team members said that SEWA had come together with other NGOs around specific issues and formed effective international and national networks. One example is Streetnet, the street vendors' network. SEWA had also worked together with other NGOs in the country to advocate for the universal health care bill.

Mr.MengistuMeharu, Ethio Life and General Insurance S.C.

Presentation: Ethio Life was established in 2008 to transact life insurance, and in 2012 it became a composite insurer for life and non-life insurance. The company's Board of Directors bring rich experience to the company. Ethio Life recognizes the importance of insurance among low income families and the need to educate both the clients and the staff about microinsurance. Ethio life started working in microinsurance with WISE on a pilot project in April 2013. It offers credit life insurance on loans made by WISE through its SACCOs. The insurance covers members and their husbands.

Insurance business in Ethiopia represents merely 0.5% of GDP, and life assurance share of the business is less than 7% of the whole insurance portfolio.

Discussion: In response to questions about capital requirements, the panellist mentioned that earlier insurance companies were required to have a capital of four million birr for life insurance business and three million birr for general insurance. However, under recent regulation, the company will need to have 75 million birr.

As of now there is no separate regulator for microinsurance; it is regulated by the National Bank of Ethiopia. The insurance sector in Ethiopia is very young, and insurance contributes to less than 0.5 % of GDP. Only 7% of the insurance market is life insurance.

The panellist mentioned that 95% of its microinsurance clients are NGOs. The insurance company settles claims very quickly, and this increased its business with NGOs.

The microinsurance credit life product with WISE covers all loans made through its 52 SACCOs. The age limit for insurance coverage is 70 years for women members and 60 year for spouses.

Panel 2: Social Security

Dr.RachnaNama, ArogyaSEWA and Bal SEWA – SEWA's Health and Childcare programmes

Presentation: The work on Health and Child Care in SEWA started through targeting of occupational health and maternity benefits. The SEWA Childcare started running crèches

in 1982 and SEWA's Health programme developed in 1984 with LokSwasthya Health Cooperative registered in 1990.

The health programme works on preventive and curative health care with special focus on local capacity building. The services include health education for women, men and adolescents; diagnostic health camps, referral services, a tuberculosis programme, HIV/AIDS programme, occupational health, provision of low cost medicines, training of traditional birth attendants, designing of ergonomic tools for informal sector workers, etc.

The Child Care services include crèches and day care centres which provide two meals a day; special attention to malnourished children, regular health check-up, weight monitoring, immunization and referral services. There is also a focus on recreational and educational activities, including exposure trips. Regular meetings are also conducted with both parents about their children with educational sessions on parenting, health, nutrition etc.

Mr. Aster Tefera, Iddirs as Indigenous Social Security Mechanisms in Ethiopia

Presentation: Iddirs are one of the oldest indigenous community-based organizations/burial associations in Ethiopia. These are membership based associations where members come together voluntarily for mutual assistance. The primary purpose of Iddirs is to provide financial, material and moral support to families in times of bereavement. Over time, Iddirs became multi-functional associations especially among the poor. Some Iddirs are women-only, while others have both women and men members. Iddirs can choose to provide various types of support to their members, such as interest-free loans to members who are facing financial problems health insurance, support during natural or man-made calamities and support in time of sickness.

In recent times the relationship of Iddirs with the government has improved. Addis Ababa city municipality is providing Iddirs with space for building recreational centers and offices. Increasingly, the leadership of the Iddirs is getting strengthened as pensioners from different disciplines join the leadership.

Some internal challenges faced by the Iddirs are limited resources, lack of sound management and limited time given by members for Iddir's development activities. External challenges include long and costly registration process, insufficient land for construction and no clear understanding about joint Iddirs among donors.

There is a need for matching funds and technical assistance for Iddirs, and clearer policy about the partnership between government and Iddirs.

Mr. Shreekant Kumar, VimoSEWA

Presentation: Mr. Shree Kant Kumar shared about SEWA's Social Security approach which includes health care, child care, pension, insurance and housing. SEWA provides need-based, decentralized, women-led, women-run, holistic and integrated services through workers' cooperatives.

VIMO SEWA is the insurance cooperative, initiated in 1992 by SEWA Bank. Initially only life insurance policies were introduced for SEWA Bank borrowers, but gradually based on member demands it has evolved and added other insurance coverage also, like for health, assets accident, livelihood loss. It also covers the entire family including husbands and children.

VIMO SEWA was registered as an insurance cooperative in September 2009 and is India's first women-owned, women-run National level insurance cooperative. It has 6,000 individual and 13 institutional share-holders from 5 Indian states, managed by board of worker leaders, some insurance professionals.

VIMO SEWA currently has over 100,000 members. Some of the challenges include low levels of awareness about insurance, particularly in rural areas, developing a viable and sustainable business model for microinsurance and attracting and retaining qualified human resources. VIMO SEWA has learned that poor women are indeed insurable and willing to pay for quality services. Women want an integrated insurance product that covers all the risks that they face. Trust in the organization is a key factor and poor women need simple and flexible systems.

Discussion: In response to a question about the provision of insurance through cooperatives in India, it was shared that Indian regulation does allow insurance cooperatives but the capital requirements for these are the same as they are for insurance companies. Some cooperatives have promoted insurance companies but there are no insurance cooperatives yet.

Regarding payment of premium, self-help groups and cooperatives can pay a single premium to the insurance company on behalf of its members but individual policies are issued.

Participants wanted to know how VimoSEWA managed diverse products and how the SEWA leadership understood the management information systems (MIS) if they had limited literacy and numeracy skills. VimoSEWA shared that product development was a learned over time and happened gradually. The MIS reports are customized to suit the needs and capacities of the users.

A question was asked about the criteria for microinsurance membership and the issue of affordability. Any member who can pay the premium and agrees to the term of the policy is eligible to buy insurance. Affordability can be addressed by developing diverse products with varying premium levels. Insurance education helps people understand the value of insurance and motivates them to redirect monies from wasteful expenditure to insurance. Once people see the benefit of insurance, they are willing to pay for it. Affordability should not be confused with willingness to pay. SEWA also developed the system of members depositing a one-time fixed deposit with SEWA member, the interest from which is used to pay the annual premium.

Ms. Haile said that a health Iddir had started in 2000, but it was a challenge. Women wanted cover not only for themselves but also their families. Some women are members of many Iddirs and pay 5 birr in each of these groups. She also hoped that more organizations would take up microinsurance.

Ms. Chatterjee said that health insurance is the foremost need among women. However, hospitals are not regulated and there is no logic to their charges. SEWA is trying to work with the government on regulation, even self-regulation of medical providers.

Panel 3: Organizing, Capacity Building and Leadership Development

Ms. Azeb Kelemework, Union of Ethiopian Women's Charitable Associations (UEWCA)

Presentation: UEWCA is a network of 46 non-government charitable organizations established in January 2010. UEWCA's objective is to promote holistic well-being of women and girls by improving living standards, socio-economic empowerment and elimination of harmful traditional practices. Towards this, UEWCA builds the capacities of its member organizations. UEWCA also raises funds for its members for programmes in different thematic areas.

UEWCA finds that most women focused organizations have capacity limitations in the areas of establishing systems and providing trainings. Under system establishment, most organizations have limited capacities in information generation and dissemination, documentation, creating market linkages, savings and credit management, human resource management, and management of financial systems. They also need to strengthen trainings in project cycle management, financial management, resource mobilization, and entrepreneurial skill development and leadership skills.

Ms. Tsehay Admassu, Consortium of Christian Relief and Development Associations (CCRDA)

Presentation: CCRDA was established in 1973 by 12 faith based and one secular organization to coordinate the humanitarian crisis. Over the last 40 years it has evolved from being a relief and rehabilitation organization to one working in overall development and advocacy. It is an umbrella organization for 360 NGOs in the country.

CCRDA's focus is on program effectiveness and its support includes professional staff secondment, small grants and technical support. It also offers a variety of trainings and organizes exposure visits and working groups on thematic issues.

CCRDA offers a diploma program on Development Management and has established a Leadership Forum for knowledge sharing.

Discussion: The discussion for both the networks was common, as there were several common questions.

Asked about the types of issues that CCRDA took up, the panellist mentioned that they used to provide funds for small projects and had granted up 200,000 Birr but recently they had to pull out of micro-project lending. UEWCA said that one example of their activities was providing linkages with export markets for member organizations.

A participant raised the issue of competition between networks and individual organizations for funds, and the panellists accepted that this was indeed the case sometimes. Initially NGOs were not so mature so funds came to networks, but as NGOs have matured, donors prefer to fund implementing agencies directly. Donors prefer to fund big organizations, so if there are smaller women's organizations they prefer funding an umbrella organization. But a problem can occur if the member organizations begin to look at network organizations as fund-raisers.

To become a network member, an organization is screened for sound practices in financial management and governance.

SEWA was asked if it had promoted any networks. In reply it was shared with participants that SEWA had promoted several networks including Homenet South Asia, a network of organizations working with home-based workers, Women in Informal Employment Globalizing and Organizing (WIEGO), a research and advocacy network, and some theme based networks such as StreetNet based in Durban South Africa.

Ms .Reema Kapoor, SEWA Academy

Presentation: Ms. Reema Kapoor shared about the importance of capacity-building which has been the focus of SEWA since its inception. The aim is to build the capacities and confidence of members and leaders, and also to build a shared vision of the SEWA movement among all members. SEWA Academy was established as the capacity-building unit of SEWA in 1991. The academy focuses on three aspects, viz. capacity building, development communication and research. For communication, SEWA Academy uses audio, video and print media. SEWA has a community radio station and a Video SEWA Cooperative which produces films for training and communication purposes. SEWA also brings out regular newsletters for its members and their families. Some challenges faced by SEWA Academy are keeping the capacities of its staff updated, rapid changes in technology that affect particularly its Video Cooperative, and financial sustainability.

Panel 4: Microfinance

Mr. Kinfemichael Yibkaw, Association of Ethiopian Microfinance Institutions (AEMFI)

Presentation: AEMFI is a network of 31 MFIs and was established in June 1999. AEMFI aims to enhance the capacity of MFIs and financial cooperatives through technical assistance, capacity building, research and advocacy. Credit schemes started in 1980s as part of NGO relief and development programs. In 1998 charities and financial functions were separated and NGOs are prohibited from delivering finance. MFIs are legally allowed to mobilize savings, and 31 MFIs are registered with the National Bank of Ethiopia. Financial products of MFIs include various types of loans, savings products, insurance products, money transfers and other products such as paying pensioners and collection of taxes. As of March 2013 there are 2.6 million active borrowers, almost half of which are women. The outstanding loan balance is 556 million USD. Total savings are 336 million USD, 74% of which are voluntary.

The presenter shared the growth of microfinance in the country and the financial performance of MFIs. The government supports MFIs in various ways, including providing credit guarantees and tax exemptions. The challenges faced by the sector are unmet demand for loan capital, weak MIS, limited human resources and uneven coverage in the country, among others. AEMFI is planning to increase its outreach especially among women and disadvantaged groups, build capacity among member organizations and promote client protection.

Discussion: Mr.Yibkaw shared that their organization has a social performance management section. They produce Occasional Papers and also do a benchmarking of member MFIs bi-annually. Two recent issues they researched were the saving behaviour of households and community businesses. The current challenge they are facing is providing a good management information system to all member MFIs. He also mentioned that commonly

credit life insurance in MFIs is subsidized. The larger MFIs have up to 800,000 women and men members.

When asked about how the MFIs met their needs for loan funds, given the gap between savings and loans, he said that the state has ambitious plans for MFI deposits and loans through the Micro and Small Enterprises department.

All MFIs in Ethiopia are regulated by the National Bank of Ethiopia.

Mr. Tezera Kebede, PEACE MFI

Presentation: PEACE MFI was founded in 1999 by an NGO called Agri-service Ethiopia, with support from Oxfam, Novib in the Netherlands. The MFI has 22 branches in 3 regions of the country. A large part of the operations are in rural areas and women comprise 80% of the clients. The MFI also has products for youth and children. The MFI also reaches out to physically challenged persons. Loans are insured through credit life insurance. As of June 2013, there were 22,938 active borrowers and the loan outstanding was Birr 74,089, 834. Total savings was Birr 23,358,275. The MFI is operationally and financially sustainable.

PEACE MFI partners with various institutions for loan funds and networking. Challenges include shortage of loan funds, MIS and poaching of employees by formal banks.

Discussion: To maintain quality MFIs do self-monitoring and there are forums with a focus on quality. The general assembly is made up of MFIs so the issue is discussed there as well, for example sharing credit information. A credit bureau was set up one year ago and MFIs are supposed to be a part of this.

Savings is a big challenge; people find it difficult to save. Traditionally women have had their ways of saving. High inflation actually hurts savings. There is a need for financial literacy which will encourage people to save. Most MFIs depend on donor funding or borrowings from commercial loans.

In response to a question about percentage of women borrowers, the panellist replied that on average there are 49% borrowers, but some big MFIs have mostly women members and the percentage is higher there.

MFIs have so far not received a positive response from the pastoralist communities in Ethiopia, and there are on-going efforts to develop better products.

The government is supporting MFIs and the profits are exempt from income tax as long as the MFI does not pay out dividends. The profits can be re-invested in the MFI.

There is an up-coming law that will allow loans through mobile banking.

MFIs in Ethiopia are highly transparent. Officers of the National Bank can come at any time to inspect the books of the MFI. There is a lot of information exchange amongst MFIs. There is however no national body for SACCOs.

The Rural Financial Intermediation Program (RUFIB) is a fund supported by some multilateral agencies for providing loans through MFIs and selected cooperatives. This fund is favouring larger MFIs.

PEACE MFI offers two types of credit life insurance. One percent of the loan is mandatory and borrowers have the option of 1.5%. A majority take the latter. So far spouses are not included under the insurance cover. Until now the insurance has not incurred any losses, but these reserves are needed against possible contingencies in the future.

Ms. Shailee Shah, SEWA Bank

Presentation: SEWA Bank was founded as a cooperative bank in 1974 with 4,000 members. It was formed to meet the financial service needs of informal sector women workers who have few or no assets or working capital, but are extremely active economically. SEWA Bank aims to help poor women come out of the vicious cycle of poverty by providing savings, credit, pension and financial literacy. The bank has designed various secured and unsecured financial products keeping in mind the life cycle needs approach and the needs of informal sector women workers.

The key feature of the bank is the service delivery mechanism which includes door to door services, simple procedures, hand-holding support by grassroots workers, collateral-free lending, regular contact of members and mobile van facilities. Another significant aspect is provision of financial literacy trainings to its members. The Bank provides banking services in rural areas. The Bank is financially viable and in a phase of expansion.

Discussion: Participants wanted to know more about SEWA Bank's operations and several issues were discussed. The panellist mentioned that due to the Reserve Bank of India's limits on secured versus unsecured loans, SEWA Bank gave a maximum of Rs. 100,000 as an unsecured loan.

The door-step service is provided by grassroots workers (*saathis*) who have a daily routine planned out. Financial literacy trainings motivate members to save and the *saathis* collect the savings from the members' homes. The *saathis* are members of the communities they serve and so are trusted by the residents. Because Bank *saathis* carry money from the communities to the bank, they are covered by insurance for the monies carried.

The government has launched a National Pension Scheme and this is implemented through Banks and other organizations. Each person saves Rs. 1200 per annum and the government matches it with Rs. 1000. The government contributes for four years under the current regulation, and SEWA Bank is trying to lobby for longer years of government contribution.

It is easy for poor women to open a savings account in SEWA Bank as an account can be opened with as little as Rs. 50 and the account is maintained even if it has zero balance. Financial literacy and related trainings are important mechanisms for convincing members to save.

SEWA Bank's interest rate varies for different types of loans, but on average is 16%. This is slightly higher than commercial rates of 12-14%, and is based on actual costs. SEWA Bank also realized that if it gives cheaper loans, members may borrow to lend to others in their communities and thus become money lenders of a kind.

Panel 5: The Legal Environment for Charities and Societies in Ethiopia

Mr. Solomon Tefera, Network of Ethiopian Women's Organizations

Presentation: Charities and Societies in Ethiopia are regulated by Charities and Societies Proclamation (CSP). CSPs are classified into Ethiopian Charities/, Ethiopian resident charities and foreign charities, depending upon source of funding, place of registration and membership composition. The state has delineated 14 activities that come under the umbrella of charitable activities. Only Ethiopian resident charities that raise 90% or more of their funds from within the country can engage in activities related to human rights, gender equality, rights of children and PwD, conflict resolution and support to the judiciary.

Each charity is required to fulfil certain operational requirements such as administrative costs not exceeding 30% of the NGOs budget. Article 84 of the proclamation stipulates that the government may conduct an investigation into a CSO at any time. The presenter shared all the details of the proclamation. One of the impacts of the proclamation was that NGOs that earlier worked on advocacy and human rights faced tremendous challenges and had to re-orient their activities. Also, several human rights and advocacy organizations had to withdraw from networks in which they were members. Some of the affected organizations lost qualified staff due to reduced funding.

The proclamation has also had an impact on the donor funding. Funds for organizations working on rights issues have reduced greatly, though some donors continued to provide development assistance through the government. NGOs are allowed to engage in income generating activities but require a separate audit report and have to maintain separate accounts.

On the positive side, there are greater efforts for domestic resource mobilization and good efforts of CSO coalitions to engage in constructive dialogues with the government.

Mr. Tafese Refera, CCRDA

Presentation: Mr. Refera shared the results of a study done on tracking trends in Ethiopia's civil society sector (TECS) especially with reference to the 70/30 guidelines. The regulation stipulates that NGOs should not exceed 30% of their budget for administration expenses, and the issue is about the types of expenses that can be classified under 'Administration'. Salaries, vehicles, fuel, rent are classified under 'Administration' and this poses problems on many NGOs.

The draft report finds that there has been a reduction in terms of projects, services provided, funds mobilization, investment in infrastructure support to marginalized and remote rural beneficiaries, research and awareness creation. Only a quarter of the NGOs surveyed reported compliance with the 70/30 guidelines. The guideline is adversely affecting the activities of several NGOs and the report recommends a review of the same. The presenter shared that the new laws help set a clear set of rules.

A study by CCRDA on the 70/30 guideline finds that this would adversely affect the sustainability of the voluntary sector and undermine its role in development and poverty reduction. NGOs will limit geographic outreach and reduce capacity building and hiring of skilled personnel.

There are a few federal tripartite forums which are working on improving the situation.

Discussion: Due to current laws the organizational structure and area of operations of civil society organizations has been reduced. Donors favour a rights-based approach to the interventions, but this is not encouraged by the government for CSOs that are classified as 'resident' charities.

Most of the current MFIs came out of government supported organizations. Till 1998 NGOs were known to do savings and credit. After that NGOs were disallowed from engaging in such services and only MFIs can take deposits and give loans. All MFIs have to be registered with the government and have to have stipulated capital requirements. MFIs have the twin goals of fulfilling their social objectives and being financially sustainable.

In response to a question about the types of mass based organizations in Ethiopia, there are various types of such organizations. NGOs have an office, they are staffed by professionals, they have a licence, and a clear program. Mass based organizations can be youth groups to voice their concerns and advance their interests. These are sometimes called leagues or associations. Midwives associations are professional organizations.

Ms.Chatterjee described the differences and similarities between the Ethiopian and Indian laws around civil society organizations. Unlike Ethiopia, India does not have the 70/30 law where 70% of funds have to be spent on programme activities and 30% on programme administration. However, all civil society organizations have to be registered. Trade unions are registered under a national law, whereas cooperatives, societies and trusts are registered by the state. Trusts and trade unions are tax exempt, but cooperatives have to pay income tax. SEWA is lobbying for removal of income tax from cooperatives owned by the poor.

NGOs are allowed to receive foreign funding if they are approved under the Foreign Contributions Regulation Act (FCRA). Earlier once an NGO was approved it was for life; now the licence has to be renewed every five years. Accounts have to be submitted to the home ministry every year.

While there is no formal government sanction against rights-based approach, a recent demonstration by fisher folk against a nuclear reactor in their region resulted in revoking of the FCRA permits of the NGOs supporting the demonstration. Also the agencies funding many of these NGOs are being watched closely by the government.

Panel 6: SEWA's Integrated Approach

Ms. Padma Hedao and Ms.Mirai Chatterjee

Presentation: This presentation consisted of two parts. In the first part Ms. Padma Hedao shared how as a SEWA member her mother and she benefited from SEWA's integrated approach. In the second part Ms.Chatterjee described how the integration works across the different units of SEWA.

Padmaben's story

I will talk about how I came to SEWA. There were communal riots in Ahmedabad in 1985, and many families were adversely affected. Several houses got burned down and both the communities were affected. At that time women from SEWA used to come to our area to see how they could help. There was one ZohrabenPathan who used to come. My mother,

who was an incense stick roller, helped Zohraben make connections with the families. During her frequent visits Zohraben saw that there were many women involved in incense stick making in our area. She suggested that they join SEWA's trade union. Women were being helped by SEWA in the aftermath of the riots, and 50 women decided to join the cooperative. They were given vocational training for three days and also given information on SEWA's other programmes and SEWA Bank.

Women wanted to save, and they were able to open bank accounts with little documentation. At that time my brother was young and my mother used to take him to SEWA's child care centre where he stayed for 5-7 hours. He was looked after, given nutritious food and taught games and other skills. With my brother at the child care centre, my mother was able to work undisturbed and we too could do our homework without any disruptions.

SEWA's health workers used to come to our area- one of them was MadhubenSolanki. She gave health trainings in our area and they set up a primary health centre.

From SEWA Bank we got information about insurance and learned about its benefits; at that time the premium was Rs.30 for life insurance. The number of groups of incense stick rollers increased and more grass roots leaders were identified. My mother was one of them.

In 1993 I got married. I had seen SEWA from my childhood. After I got married I helped my mother in law open a bank account and get insurance. Later I got the same for my sisters-in-law.

I joined SEWA's social security programme and currently I am the coordinator of the child care programme. I feel truly happy to be a part of SEWA, and to be entrusted with the responsibilities of coordinating the child care centres.

Ms.MiraiChatterjee then shared the integration at the organizational level. She said that the integrated approach is easier said than done, but SEWA follows a set of strategies to ensure that it happens. First, SEWA develops common programmes such as SETU Africa. Another example is building a joint programme between SEWA Academy and SEWA Social Security on health care and child care trainings. The different units also join together for fund raising. The different units also develop and share their planning calendars. Further, the different programmes unite in doing joint outreach in the communities. For instance, the savings group will invite a health trainer to give the savings group member training on health. Insurance promoters are invited to the parents' meeting at the child care centers.

In addition, the grassroots workers in the different programmes, who are from the member communities, also develop linkages with each other. There is thus a horizontal linkage at the level of the grassroots workers in the different programmes. As Padmaben shared with us, her mother was a leader first, and then she brought in other women to take on leadership roles in other units as well.

Once members are acquainted with SEWA's multiple programmes, they are able to access them. For e.g. all the members of the fish vendors' cooperative (400 members) have bank accounts, insurance and pension. They wanted basic training in health and hygiene and approached the health programme at SEWA for this. Similarly, they approached Padmaben when they wanted a child care center opened in their area.

SEWA Bank has launched the pension scheme and grassroots leaders from all the units will motivate their members to enrol in the scheme.

The different programmes also share their member databases with each other, and sometimes share costs for shared activities.

Each of the programmes, e.g. health, childcare, SEWA Academy, SEWA Bank etc. have boards of directors. Members from the different programmes try and be on each other's boards for deeper engagement and linkages between the programmes.

Each programme does not want to become a silo. However, this integrated approach developed over time as each need-based programme kept getting added. For instance, the microinsurance programme was first developed almost 20 years after SEWA was initiated. And only now, after almost 40 years, SEWA will be promoting a Housing Finance Company.

There are some challenges in implementing an integrated approach. Women want all the programmes but each organization has its own logic, its schedule etc. For instance SEWA Bank has to tally its accounts at the end of each working day, and no concessions are made on this count. Then there are human resource issues. SEWA Bank may ask for health trainings at the meetings of its savings groups, but it is possible that trainers are not available or there may be no budget to give the training. Also, it takes time to build the capacities of leaders and make them familiar with all the services available with SEWA.

Discussion: Participants shared that many organizations are project based and developing this kind of approach takes time. Ms.Chatterjee replied that in SEWA also there is a problem of project based funding. However, Elaben Bhatt, the founder of SEWA has always advised that the grant should be treated as working capital and these initial funds should be used to leverage more funds and develop a sustainable model for the programme.

Internal monitoring of the programmes is done through the management information systems and through monthly board meetings. Because there is a cross-representation of members across boards, even if someone is on the SEWA Bank board and not on the VimoSEWA board, she will learn about developments at VimoSEWA from the VimoSEWA member on the SEWA Bank board. External monitoring is done through regular reports to the home ministry and annual audit reports to the cooperative department for all registered cooperatives.

Ms. Haile mentioned that currently there may not be any organizations in Ethiopia that provide integrated services of this kind, but organizations can develop partnerships with each other to ensure that end users get multiple services. For example, a new organization called I Care is unable to provide enterprise training but contacted WISE to conduct these trainings. So members get childcare through I care and microfinance services through WISE. Similarly WISE has linked with Ethio Life and General Insurance Co. for insurance services. There is a need for organizations to work together as collaborators. People are committed to the community, but NGOs need to be committed not just to their causes in the community but to the causes of other NGOs that serve the communities.

FEEDBACK FROM PARTICIPANTS

Feedback was sought from workshop participants on the following questions.

1. Please state briefly the major benefits you derived from this programme.
2. Which inputs did you find most relevant? Why?
3. What additional topic would you recommend us to cover in a similar programme in future?
4. Kindly give your feedback on the workshop methodology?
5. This was special programme for you. We would appreciate your comments/ opinions/

Participants mentioned a range of issues that they had learned from the workshop. They also mentioned that they would like to know more about the support received by SEWA, the challenges it confronted and more examples of practical experiences. Participants were positive about the interactive methodology but felt that more time should have been given for discussion.

SECTION 3

FIELD VISITS AND MEETINGS WITH GOVERNMENT OFFICIALS

Field visits to community based organizations were conducted on three days during our visit to Ethiopia. The objective of these visits was to understand the ground realities, to get the perspective of community members and to understand the socio-economic situation of areas visited.

On the first day, we visited WISE's operational areas in Addis Ababa city. These included the SACCO office in Ketema, Addis Ababa, a collection center, the office of a value chain project with weavers and a weaver's center.

On the second day we visited the city of Adama which is about 100 km from Addis Ababa. In Adama we visited the office of a SACCO union. We also visited three primary SACCOS functioning in Adama.

The last field visit was to the rural area around DebreLibanos, 120 km from Addis Ababa, to visit a milk processing cooperative set up by SASAKAWA Global 2000.

We also met with two senior government officials, one in the Federal Cooperative Agency and the second in the Ministry of Micro and Small Enterprise Development.

Each of these visits is described in detail below.

VISITS TO SAVINGS AND CREDIT COOPERATIVES

19.08.13: Visit to WISE area office - office for 14 SACCOs in Addis Katama

Health: A trained nurse was giving training on health and nutrition to a group of about 25 SACCO members. The trainees were members from 14 SACCOs. The trainings are conducted over 3 half days.

Topics of **training** include the following: Nutrition, health (HIV / AIDS, First aid, reproductive health, harmful traditional practices like: Female genital mutilation, Uvulectomy, milk teeth extraction, early marriage / arrange marriage, marriage by abduction, Food taboos, Others – Son preference, wife inheritance, uterine massage, bloodletting eyelid incision.

Livelihoods: The trainees were engaged in trades such as selling vegetables, old clothes, injara, spices, used clothes, cookies, alcohol etc.

Microfinance: Members saved from 7 – 100 birr per week. Three accountants managed the accounts for 14 SACCOs. There are 200-250 members per SACCO, with a total of 1760 members in 14 cooperatives.

[19.08.13: Visit to a WISE collection center](#)

The collection of weekly deposits (savings and loan repayments) is done in a small room rented by the SACCO in a school. This SACCO is 5 years old. Collection ranges from 10-200 birr per week. When we asked which member was saving 200 birr per week, we were told that it was someone who has a bed-renting business. The SACCO gives smaller loans of upto 40,000 to 50,000 b. Larger loans are given by the Union, for housing for e.g. (condominium). Each SACCO has a coordinator who is employed by the cooperative; she was taking the collection.

Some challenges faced by SACCO are that leaders sometimes do not come for the monthly meetings. Default is another problem that occurs sometimes. SACCO members then put pressure on the defaulter, but the defaulter may be difficult to find at home. If the cooperative is unable to recover the loan, a notice can be sent to the social court, but this has not occurred so far. According to the SACCO leaders, genuine loan default is covered by insurance.

Livelihoods: Baking and selling injara, selling old clothes, spices, alcohol, cookies, fruit and vegetables, renting beds. Renting of beds was done by women who lived near the bus stand.

Health insurance: Each member gives 5 br per month and gets cover of upto 300 br per year. For smaller illnesses members can come to the health center at WISE head office where a nurse comes, but for anything bigger, she goes to a health facility and gets treatment. The cost is later reimbursed.

Training: Leadership training given by WISE includes how to manage groups, rules and by-laws to be followed, conflict resolution etc. They also get training in financial literacy and numeracy.

Child care: No facilities for SACCO members either from NGOs or govt.

CASE STUDY 1

Salmaltawa

Salma is the chair of her SACCO and was present (about 50 years old). She has been a member of the SACCO for the last five years and became the chair of the SACCO three years ago. She heard about WISE from a friend and so joined the coop. She has taken training in business skills and also on leadership. She has also taken health training.

She has 4 children. Her husband died 2 years ago. She has one son in university, and the other three are in school. Her husband was a waiter in a hotel and she was a home maker. She mentioned that before she joined WISE she depended upon her husband for all finances, now she is a business woman and able to meet all her expenses from her own enterprise.

She has taken five loans from WISE; the latest is of 7000 birr. She sells French fries and ice lollies. Her SACCO has 19 committee members and 7 of these become executive committee members. The repayment rate in her SACCO is 92%.

CASE STUDY 2

Ana

Ana is a young married woman aged 22 years with a one and a half year old son. She sells onions and also rents beds. Her husband sells mobile phones (is a vendor, does not have a shop)

She joined the cooperative one year ago and has taken a second loan of 900 b.

Her child was born in a government hospital and she spent about 1000 b on the delivery. Her baby was vaccinated against meningitis free of charge.

She was raised by her maternal grandmother who was a bartender; her father stayed with her grandmother but was not interested in supporting her. Once her grandmother died, she had to leave the home because her aunts and uncles did not want her to stay there. She got married when she was 18 and her marriage was self-arranged. Her dream is to have a shop of her own, maybe a boutique or for selling mobile phones.

She received training in basic business and also started the trg on poultry production. She however did not complete the training so was not given any chicks to start the business.

The repayment rate in her SACCO is 92%.

20.08.13: Visit to SACCO Union in Adama town and meeting with Chairperson of the union of SACCOS: Mr.ObbooGettahuumSilewandim

This union of SACCOs was formed in 2006-07 and has 31 primary SACCOs as its members with a total membership of 5620 members – of which 3072 are women. The capital at the time of starting the union was USD 85,000. The most common occupations among the women are vending, cleaning and selling injara. The union got a loan from the government to buy a building to house its operations. The union received a training of trainers from WISE on business development and is now planning to have its own training center where it can train SACCO members. The union is planning to promote more primary cooperatives. The union representatives support the primary cooperatives to ensure their success. The union board has four women and four men as members.

The union gives loans at 9.5% to the primary SACCOs who give it to members at 10.5%. The union is not required to pay income tax.

Visit to Three Primary SACCOs

We visited three savings and credit cooperatives. The first one was formed by an NGO called Vision in 1997. They have 182 members, of which 22 are male. They have received trainings from Vision on a range of issues including business skills, accounting and health. The SACCO owns a photocopy machine and has three accountants. The photocopy

machine is also a source of income. Loan default is not a big problem in this SACCO, but they do not have any loan insurance.

They would like a round of trainings on leadership, health and business skills.

Interest on deposits is 5% and on loans it is 10.5%. The accounts are maintained manually.

The office of the second primary SACCO was in the adjoining room. The leaders here had heard about SEWA. This SACCO has 169 women and 17 men as members. The access to financial services through the SACCO has led to an improvement in the economic situation of members. The SACCO's accountant was initially a home maker but after joining the SACCO she took training in accounting.

After lunch we visited a third primary SACCO. This SACCO was formed in 1998 by Vision. Initially the members were not interested in saving but now they have seen the benefit and want to continue. The two SACCO leaders are involved in selling cereals. This SACCO has 430 members (291 women, 113 men, 25 boys and 10 girls). The minimum mandatory saving is Birr 5 per month. The office has two computers

Asked if women who took on leadership roles faced problems at home, they said that there were problems but they struggled and achieved success. Regarding future plans, they said members want to own their homes and educate their children. Members generally save for social occasions and borrow for their business.

VISITS TO LIVELIHOOD RELATED PROJECTS

19.08.13- Weaving Cooperative: WISE Textile Value Chain Project

Briefing at project office: There are 900 weavers in the area, both women and men, though women are fewer than men. WISE is running a value chain project for women weavers and has organized 200 weavers into two SACCOs – membership is voluntary. One cooperative is one year old, the other 6 month old. They save 5 birr weekly. This is a three year project. Typical earnings from weaving are Birr 1300 to 1500 a month.

Through the project, weavers are given designs, business training and inputs on quality. WISE does not charge for the trainings. The project also facilitates market linkages by linking them to local designers for export and domestic market and other technical support. The SACCO also provides loans to members. The weavers in the cooperative work as individual entrepreneurs; the coop cannot buy raw material in bulk for the weavers, because it does not have the resources to do so.

According to a baseline survey conducted, the average income of weavers is about 1300 b. The intervention of the project has led to an income increase of 14%. The main issue is lack of awareness about health issues among the weavers; they are encouraged to take breaks and play basketball. The SACCOs are trying to promote an ergonomic chair.

Some women are reluctant to join the SACCO because they are already members of government promoted SACCOs. Cotton for weavers is getting more expensive and has to be imported. Another challenge is the technology used.

The government has promoted weaver's associations and has established weaving sheds with looms. The government provides looms to the weavers at a subsidized rate; the weavers own the looms once they have paid for them (1700 b). A weaver is supposed to vacate her space in the shed after five years.

We then visited a weaving shed. The shed had about 50 looms, and about 3 women weavers and 7 male weavers were working at their looms at that time.

CASE STUDY 3

Abebech

Abebech is a young woman in her mid-twenties. She joined the association one and a half years ago and the coop one year ago. She joined the coop because she understood the value of saving.

She is a single mother of a 7 year old girl and 4 year old boy. She does not have a father, her mother is a farmer. She learned weaving from her uncle at an early age. When she comes to the shed for weaving her children are at home. At lunch time she goes home and cooks a meal for all of them.

Her net profit is 1000 b per month. She will try and improve her productivity through better time management and doing more work. She has received training from WISE. In that she learned about work culture, time management.

The work is somewhat seasonal and there is more work during New Year, Christmas and Easter. She has saved 500 b in one year. She took a loan of 1000 b for raw material. She was working on some fabric on order which would cost 1000 b. She had taken an advance of 250b for the order. When we asked her how much her loom would cost, she had to ask a male colleague.

She would like to attend more trainings on whatever is important.

CASE STUDY 4

MeseraZewde

"My name is MeseraZewde I am from Woreda ab. I am married I work at this loom and my husband too works with me. I have two children - first is a girl who is four years old and my second child is a son who is seven years old. I have attended Basic Skill development training, after which my mind-set changed. I was encouraged to enhance my skill and increase my production. I am a member of the credit cooperative and I save regularly. I took a loan of 1000 birr and paid it back in four months. Thanks to the organization I came out from the four walls of the house and was able to see outside world. My husband and I together take household decisions." About her future plans she said she would like to give a good education to her children for their better future.

27.08.13 Visit to milk processing cooperative – DebreLibanos (warade)

Sasakawa Global 2000 is an international NGO that has promoted women's cooperatives in different parts of Ethiopia under its agro-processing set of activities. The main objective is to increase the incomes of members. In the area of DebreLibanos they promoted a milk processing unit a little over a year ago. The government provides the land and the cooperative uses its resources to build on it. The cooperative works in conjunction with the cooperative promotion officer and the agriculture promotion officer. The local government officials are also trained by the NGO in relevant skills.

This particular cooperative has 18 women members.¹⁰ Through the cooperative they train women in milk processing techniques and business skills. The cooperative also owns assets like a butter churner and a milk separator. The milk is purchased and converted into butter, cheese and yogurt, and sold through a sales outlet in the nearby town – DebreTsigi. The average sale per day is 30-50 birr. The cooperative is planning to buy a refrigerator for longer shelf life of products. Members take turns to work at the processing unit.

SASAKAWA has linked the cooperative to consumer cooperatives in Addis to market its processed products.

The challenges that they face are:

1. During rainy season, there is a lot of milk production and at the same time there is the fasting season where the people do not consume milk. So they have to sell the milk at very low prices, as it is perishable and there are power cut problems.
2. Marketing of milk.
3. Illiteracy of women members.
4. Training is difficult during fasting season.

It is expected that the cooperative will become profitable in three years

¹⁰The project coordinator told us that most women are also members of savings and credit groups promoted by the Hunger Project, an NGO working in the area.

CASE STUDY 5

AsenkuDeder

Asenku is a middle-aged woman about 45 years old. She lives in a compound that has about three structures. The house we sat in has one sitting room and one inner room which is curtained off. The sitting room has one bed, and a light bulb hanging from the ceiling. There is a radio in one corner. All around the room is a raised platform which is used for sitting on. The floor is earthen.

She got married when she was 18 and has eight children ranging in age from 27 to 7 years. She has five sons and three daughters, and the eldest daughter is married. The eldest daughter has had no formal schooling. The next two are sons and both are working, one as a farmer and the other as a driver's helper. One dropped out after class 7 and the second one is in class 9.

Three other daughters and one son are in school. The youngest will soon start school.

Her husband works with an organization near Addis Ababa and comes home on festivals and some holidays.

She owns 2.5 hectares of land and grows beans, wheat and teff. She owns three adult cows, two oxen and two calves.

For water she has to go to a water point near the house, and usually buys 20 litres a day. She has to pay 10 cents towards maintenance of the water supply system. She has a toilet in her compound – it is a rough structure made of bamboos and exposed to the elements.

She often has headaches and stomach aches, and goes to a local clinic for medication. The clinic is 2 hours away, and if required, she is referred to a nearby town where it costs her 20 birr for transportation. The most common illness among the children is flu, and she goes to the local clinic for that. She also uses traditional remedies like garlic water and holy water and inhalation of herbs. There are health extension workers who give training on sanitation issues. All her children were born at home with the help of a trained midwife. Addiction is not a common problem, and it is considered undesirable to have an addiction. Some older men drink alcohol, but women do not usually drink.

She has received training in milk processing, basic business skills, health care and sanitation. The trainings have been given by WISE and the government.

Regarding childcare, she did face a problem doing her work when they were young. The older siblings helped in the care of the younger children.

She saves 10 birr every two weeks in the cooperative. Currently her total saving is 300 birr. Her dream is to build a house and have more cows.

MEETINGS WITH GOVERNMENT OFFICIALS

26.08.13: Meeting with Mr. Bedru Dedgeba Ejabo, Deputy General Director, Federal Democratic Republic of Ethiopia Cooperative Agency

The meeting was attended by the Director, three members from his team and the entire SEWA team.

History of Cooperative Movement in Ethiopia

Many people here have experience of the cooperatives in India, and the Indian cooperative systems are a benchmark here. People from E have visited cooperatives in Maharashtra and Gujarat.

Cooperatives in E started 53 years ago during the reign of Emperor Haile Selassie. Most cooperatives were owned by landlords and businessmen. Some cooperatives were started by retired military personnel to address economic problems. Except a few savings and credit cooperatives, all the cooperatives were abolished by the Derg. They promoted some politically mandated cooperatives where there was no real freedom for members.

When the new government came the producer coops were abolished in one night because they were not based on voluntary membership.

The new government did surveys and tried to send extension workers to work with the agriculturalists but they were not successful at marketing their produce. The idea of promoting marketing through cooperatives emerged. There was initial resistance because cooperatives were associated with the 'hated' socialism of the previous regime. The government persisted and tried to promote different types of cooperatives under different ministries, for e.g. the housing cooperatives were under the Ministry of Housing, Handicraft cooperatives under the Ministry of Handicrafts etc.

The cooperative proclamation was issued in 1998 and a national department to deal with cooperatives was set up. The federal cooperative agency provides technical inputs to cooperatives. The role of the agency is to check if the byelaws are being followed. The agency also provides a free annual audit of all cooperative societies, and fully follows the international cooperative procedures. There are auditors at federal, district, and zonal levels. The central office builds the capacity of the cooperatives and has structures right upto the grassroots level. However, no one has the right to interfere with the day to day functioning of the cooperatives. Cooperatives are expected to be non-political and no political activity is allowed in the cooperative premises. The agency is trying to outsource audit services.

The government follows a federal system and each region has a cooperative office. To form a primary cooperative, a minimum of 10 members are required. However, cooperatives often increase their membership to enhance the benefits of cooperation. Currently there are 48,000 primary cooperatives of various types, including agricultural, savings and credit, housing, consumer cooperatives etc. with a total of 6.6 million members. There is only one health cooperative in the north in Makele University. Of the total membership, 23% are women. There are 293 secondary cooperatives. Coffee cooperatives in Oromia and Sidoma

regions of the country are particularly successful and export coffee to more than 32 countries. Cooperatives also export sesame.

For some time the cooperatives were solving marketing problems but there came a time when the primary cooperatives were not doing well. For instance the coffee cooperatives were not getting a good price because of high production. So the government organized primary cooperatives into secondary and higher level cooperatives to tap the export market and other buyers. It is difficult to get a fair price for farmers without them being organized into cooperatives. Federated cooperatives were better equipped to do value addition to strengthen marketing. As of now there are some regional federations, but so far no national level of federation of cooperative exists, though the government would like to promote one.

In some cases the government provides a revolving fund to the SACCOs through donor funds coming in for food security.

The FCA promotes cooperatives in two ways. The bottoms- up approach is if people come with a problem, and if a cooperative would be a useful strategy, the FCA will help organize the cooperative. Alternately, if some research indicates that forming a cooperative in a particular situation would address the problems that have been identified; the FCA would help in the promotion.

The government is giving more support to private investors than to cooperatives. Resource limitations prevent building capacity of coops.

The achievements have been as follows:

1. The agricultural cooperatives have increased their production through better inputs and improved prices esp. when the markets have been down.
2. Housing cooperatives and savings and credit cooperatives have been successful in solving members' problems in these two areas.

Women and Cooperatives

In Ethiopia, 23% of the members of primary cooperative are women. In the South the membership may go upto 40% but in the North it would only be about 15%. Men own cash as there is a concept of only one share per family. The government is educating the community to buy more shares. Even if he buys a second share, will not buy in the wife's name because he feels there is no difference between husband and wife.

There are newly formed women SACCOs in rural areas. There are also other types of cooperatives formed by women. Women's cooperatives function better and have less fraud. There are very few women on the boards or executive committees of mixed cooperatives.

There are few women in agricultural cooperatives; commonly a widowed woman would join these cooperatives. Women members are more common in SACCOs and cooperatives for dairy, housing and culture.

According to the physical plan, they want to increase the women leadership by 5%. The FCA tries to get more women to join the cooperatives and the ministry of Women's Affair also motivates women to do the same. There is no data on the proportion of women's leadership in the cooperatives.

There is only one health cooperative which is in Makelele University in the North.

26.08.13 Meeting with Federal Micro and Small Enterprise Development Agency

An official from FEMSEDA was a panellist at the workshop and had presented the agency's work. We met Mr.BekeleMengistuTesema, Deputy Director-General of Facilitation at the FEMSEDA office. In addition to sharing some of the details shared by his colleague at the workshop, some challenges were discussed. These include lack of entrepreneurship capabilities which the agency tries to address through trainings. There is also a need to develop more centers for entrepreneurship development. Various stakeholders participate in the Micro and Small Industries Council of which FEMSEDA is the secretary.

THE WAY FORWARD

Future plans with the Ethiopian counterparts are as follows. It is proposed that representatives from civil society organizations in Ethiopia, including some of those who participated in the workshop, will visit SEWA for an exposure visit. Also, a team of grass roots organizers from SEWA will visit Ethiopia to get a first-hand experience of the functioning of the people's organizations there.

Ms.Tsigie Haile from WISE also felt that it would be extremely useful to bring together key organizations from all the five countries that SEWA is partnering with during this project. These organizations could have a joint workshop towards the end of the project, and even form an association for continued exchange with SEWA and each other.

ANNEXURES

Appendix 1: Visit Schedule and Members of SEWA Team

Sunday, 18 August: 4:30 p.m. Meet with WISE team. Discuss on workshop and field visit. Get to know WISE. (Tsigie, Lewam and Eyerusalem will be responsible, Tegest will join) Place: WISE

Monday, 19 August

- i) Visit to Addis Ketemacoopertives of WISE, Addis Ababa. You will meet organized women and discuss with them. You will also meet Government officers of the area (if possible). (Roman & Hiwot will be responsible. Lewam and Yehualawork will join)
- ii) Visit WISE-MEDA textile value chain project participants – men and women weavers. You will meet them at their production site, Gulele Sub City, Addis Ababa. You will also meet project staff. This project has been in progress for three years. (Mintwab and Eyerusalem will be responsible)

Tuesday, 20 August: Travel to Adama, 100 kms from Addis Ababa. (Lewam will be responsible, Translator will join). You will meet AbdiGudina Cooperatives Union members and officials. You will also meet government officers. After the meeting (if time allows) you will see the outskirts of Adama city to see rural settings of Ethiopia.

Wednesday, 21 August: Preparation for workshop

Thursday – Saturday morning, 22-24 August: Workshop

Sunday, 25 August: Debriefing of workshop. (Mirai will have a meeting with Judy, Tegest and Tsigie)

Monday, 26 August: Meeting with government people (Lewam will be responsible)

Federal Micro and Small Enterprises Development Agency

Federal Cooperatives Agency

Tuesday, 27 August: Visit to SASAKAWA's women's project in DebreLibanos, about 120 kms from Addis. (Lewam will be responsible)

Wednesday, 28 August: Departure

Names of SEWA Team Members

No.	Name	Unit
1	Ms MiraiChatterjee	National Insurance VimoSEWA Cooperative Ltd.
2	Mr. Shree Kant Kumar	Project Management Unit
3	MsReemaKapoor	Indian Academy for Self Employed Women
4	Mr.RanjitDhar	SEWA Bharat
5	Ms.ShaileeShailesh Shah	Shri Shakti Vikas SEWA Trust
6	Ms. Padma Hedao	Bal SEWA (Child care)
7	Ms.RachnaNama	Arogya SEWA (SEWA Health)
8	Ms. Tara Sinha	Project Management Unit
9	Ms.GeetaPradipChandorkar	VimoSEWA (SEWA Insurance)

Appendix 2:- Main features of Credit Life Insurance Policy offered by ELIG to WISE members

Type of Insurance	Women Specific Group Term Credit Life Micro Insurance
Assured Members	Members of WISE SACCOs and their spouses whose ages are below age 60 years old
Sum Assured	The remaining loan balance of Individual members
Claims payable to	The policy holder, (WISE SACCOs Union)
Loan (Cover) Period	1-3 Yrs. As per their specific loan period
Net Single Premium (NSP)	1.5% - 2% of the Sum assured (Each Total initial loan balance of Insured Members)
Death of a member or spouse due to natural or accidental causes	100% of the remaining loan balance
Total disability of a member or spouse due to natural or accidental causes	100% of the remaining loan balance
Accidental loss of two eyes, or two limbs, or one eye and one limb of a member or spouse	100% of the remaining loan amount
Total Temporary Disability of a member due to natural or accidental causes	Loan repayment during disability period.
Accidental loss of one eye or one limb	50% of the remaining loan balance.
Pregnancy & Maternity	2 Months instalment/s of the loan Rep't. (9 th Month Preg. & 1 Month Maternity)
Additional benefit	Funeral expense, Birr 1,000.00 per insured lives' death.

Appendix 3: Questions and Answers about SEWA

Q1. *How many members does SEWA have? How many are active?*

A 1. SEWA has 1.7 million members. About half the members are active, but all members benefit from the strength of numbers.

Q 2. *What is the challenge to manage members?*

A 2. It is indeed a challenge to stay connected with the large membership. The fact that each member has multiple affiliations to SEWA through its various activities helps maintain the connections.

Q 3. *Among Muslims interest is not considered correct? How do you manage with Muslim members?*

A 3. One-third of SEWA's membership is Muslim. The issue of interest on loans does come up sometimes, but after being explained the issue members come around to accepting it. Even insurance is considered un-Islamic and some Muslim members feel that buying life insurance is inviting death. In fact some of SEWA's best leaders are Muslim, and one of the most successful insurance promoters is a Muslim.

Q 4. *What about SEWA's participation in parliament?*

A 4. SEWA works closely with parliamentarians to influence policy. Elaben Bhatt, the founder of SEWA was nominated to the upper house of the Indian Parliament (Rajya Sabha). It was during her term there that she brought up the issue of street vendors. Senior team members at SEWA have been on several national level commissions including the Commission on Self-employed Women, the National Commission for Enterprises in the Unorganized Sector and the National Advisory Council.

Appendix 4: Workshop Programme

SOLIDARITY WITH PEOPLE'S ORGANIZATIONS IN ETHIOPIA 22-24 August, 2013 - WISE Training Center, Addis Ababa, Ethiopia

Day 1: Thursday, 22 August, 2013		
Time	Activity	Responsibility
09:00 - 09:30	Registration	WISE
09:30 - 09:40	Welcome Function and Statements	SEWA and WISE
09:40 - 09:55	History of Ethiopia-India solidarity: Ethiopia's Perspective on Strengthening Cooperation and Collaboration with India	H.E. Genet Teshome, Director General, Asia & Oceania Directorate General, FDRE Ministry of Foreign Affairs
09:55 - 10:15	History of Ethiopia-India Solidarity: India's Perspective on Strengthening Cooperation and Collaboration with Ethiopia	H.E. JayashreeKundu, First Secretary, Embassy of India to Ethiopia
10:15 - 10:30	Objectives of the Workshop	Shree Kant Kumar, Project Director, Setu-Africa, SEWA
10:30 - 11:00	Tea Break	WISE
11:00 - 11:45	Introduction of Participants	TegestBelayneh, Facilitator
11:45 - 12:30	The Self Employed Women's Association	MiraiChatterjee, Director, Social Security, SEWA and Member, National Advisory Council
12:30 - 01:30	Lunch Break	WISE
01:30 - 03:00	Panel 1: Microenterprise and Livelihoods	Panelists from India and Ethiopia
03:00 - 03:30	Tea Break	WISE
03:30 - 05:00	Panel 2: Social Security	Panelists from India and Ethiopia
05:00 - 07:00	Cultural evening at WISE	WISE & SEWA
Day 2: Friday, 23 August, 2013		
09:00 - 10:30	Panel 3: Organizing, Capacity Building and Leadership Development	Panelists from India and Ethiopia
10:30 - 11:00	Tea Break	WISE
11:00 - 12:30	Panel 4: The Legal Environment for Charities and Societies in Ethiopia	Panelists from Ethiopia
12:30 - 01:30	Lunch Break	WISE
01:30 - 03:00	Panel 5: Microfinance	Panelists from India and Ethiopia
03:00 - 03:30	Tea Break	WISE
03:30 - 05:00	Panel 6: SEWA's Integrated Approach	Panelists from India
Day 3: Saturday, 24 August, 2013		
09:00 - 10:30	Group Discussion on Shared Learning	TegestBelayneh, Facilitator
10:30 - 11:00	Tea Break	WISE
11:00 - 12:30	Sharing in Plenary and Follow-up	TegestBelayneh
12:30 - 01:00	Vote of Thanks	Shree Kant Kumar
01:00 - 02:00	Lunch	WISE

Appendix 5: Workshop Participants

No.	Name	Organization's name
1.	GetahunSilewondim	AbdiGudina SACCOs Union
2.	TsegayeDebebe	Gasha MFI
3.	SenaitH.Michael	Progynist
4.	LijalemTesfaye	Addis Ababa Women's Association
5.	BeleteMengistu	ISAPSO
6.	FikirteZewdu	UEWCA(Union of Ethiopian Women's Charitable Associations)
7.	MengistuMeharu	Ethio Life and General Insurance S.C
8.	EtsegenetMelaku	Meklit MFI
9.	Like Tolera	WISE Cooperative
10.	LewamMengistu	WISE
11.	Tsigie Haile	WISE
12.	LishanSeyoum	PRO PRIDE
13.	Genet Teshome	Ministry of Foreign Affairs
14.	Meseret Abate	Meseret Humanitarian Organization
15.	TekollaDamtie	Addis Ababa Edirs Development Agency
16.	TafesseDefera	CCRDA (Network of Charities)
17.	Kinfemichael	AEMFI (Assoc of Ethiopian MFIs)
18.	Solomon Tefera	NEWA (Network of Ethiopian Women's Associations)
19.	TsehayeAdmasu	CCRDA
20.	HirutGirma	WISE Union
21.	Hatsey K. Mariam	M.C.D.P (Multipurpose Community Development Programme)
22.	EshetuYimer	ERSHA
23.	TizitaKebede	PEACE MFI
24.	Etagegn Haile	WISE
25.	SahlemariamMoges	Alliance for Development
26.	Aster Seifu	FEMSEDA (Fed Ethiopian Micro and Small Enter Dev Agency)
27.	Tamirat G/Mariam	A.A EdirsDevelopment Agency

28.	Judy Amit	JDC, Israel office
29.	AlemuG.Tsadik	AJJDC
30.	AyneabebaMaru	I Care for the Nation