

Ethiopia: A successful example of India-Africa cooperation on women's empowerment

The Ethiopian microfinance sector is characterized by its rapid growth, an aggressive drive to achieve scale, a broad geographic coverage, a dominance of government backed Microfinance Institutions (MFIs), an emphasis on rural households, the promotion of both credit and savings products, a strong focus on sustainability and by the fact that the sector is Ethiopian owned and driven (Deribie et al, 2013). After the 1996, Proclamation on Licensing and Supervision of the Business of Micro Financing Institutions, various microfinance institutions have legally been registered and started delivering microfinance services.

Today, the MFIs in Ethiopia are motivated to extend the frontier of financial intermediation to those traditionally excluded from conventional financial markets, the poor. This backdrop of SHG and microfinance in Ethiopia created an ideal situation for collaboration and cooperation with India.

The Milestones of the India- Ethiopia Partnership

February 2014

As a part of a Workshop organised by Digital Green, with DFID support, in Addis Abbaba, a session was dedicated to women empowerment under KPP, in which successful women empowerment models were presented. This included Kudumbashree, Jevika and SERP. Ethiopian policy makers and other participants at the workshop felt that the women empowerment models presented had potential to empower women in Ethiopia as well.

Subsequently, the Hon'ble Minister of Women Children and Youth Affairs (MoWCYA) expressed keen interest in piloting some of these women economic empowerment models through SHGs in Ethiopia. It was suggested that a high level Ethiopian delegation and other relevant stakeholders visit India, to understand the policy initiatives and other factors contributing for the success of these models.

October 2014

This was followed by a visit of a high level delegation from Ethiopia to India from October 9-19, 2014. The visit exposed the team of Ethiopian delegates to the various aspects of financial inclusion and social protection in India. The delegates visited government Ministries' in New Delhi to get an idea of how flagship programmes have

contributed to financial empowerment of women in the country. They also visited Trivandrum and Kochi to study the ground realities of Self Help Groups and understand the integration process of Kudumbashree and local self-government institutions.

Key Outcomes:

- Agreement on Indian team visiting Ethiopia to help in preparing an action plan to formalise an agreement between Kudumbashree and Ethiopia
- Government of Ethiopia to constitute two or three working groups / task forces to work on creating enabling environment and implementation strategies.

April 2015

A team from India consisting of experts from Kudumbashree, DFID India and KPP visited Ethiopia from April 01- 03, 2015. The main achievement of this consultation was the firming up of next steps between Kudumbashree and MoWCYA.

Key Outcomes:

- Discussion on MOU between Government of Ethiopia & Kudumbashree
- Agreement on implementing a Pilot Project in two regions of Ethiopia by active involvement and participation of Kudubashree team and the Women and Youth Ministry, Ethiopia
- Implementation process to be divided in two phases. Each phase to involve two regions and a total of 4 Kebeles

The India- Ethiopia alliance on SHGs fostered by KPP represents success story of mutual cooperation between two nations to benefit from each other's experience. This also reiterates the potential for cooperation and collaboration between nations in the global south to set their agenda and achieve sustainable development.

Select References

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Collaborating for

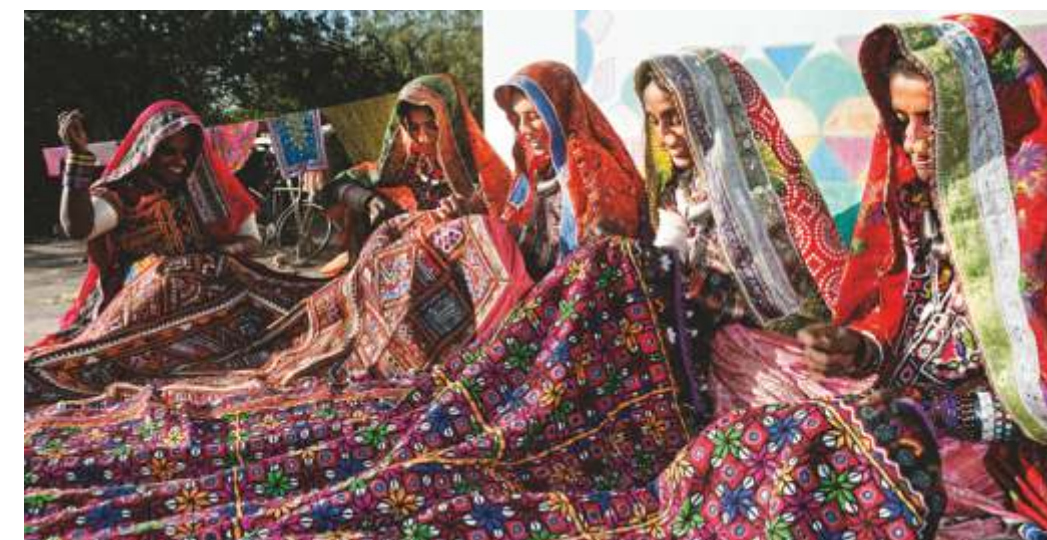
Women' Economic, Social and Political Empowerment India and Africa

Background

Women make up one half of the world's human capital and yet women continue to be dependent on men as regards control and access to resources and decision making. Thus, empowering and educating girls and women and leveraging their talent and leadership fully in the global economy, polity and society emerges as a development imperative. Development experts and policy analysts have claimed that empowering women and girls is quintessential to promoting quick and equitable economic growth and long-term stability. The Millennium Development Goals (MDGs), which all 193 UN member-states endorsed, included promoting gender equality and empowering women as its Goal 3. According to the MDG Report 2012 – "Assessing the Progress in Africa towards the MDGs", the consequences to society of not investing in gender equality and female empowerment can be heavy.

Over one third of the world's poor reside in Africa and though over the last century African countries have made significant strides in promoting gender equity, the equality in society in terms of access and control over resources-social, economic and political- are yet to be achieved. While there has been notable success in some countries in achieving equality in primary education, lot needs to be done to enhance livelihood options and provide space for women in political decision making. In politics, Africa needs to move beyond women's participation to improving their capacity for contributing to development discussions and outcomes.

In India too, the gender divide especially in rural areas, is quite intense and women are often subjected to various kinds of discrimination and denial of rights. Women bear a disproportionate brunt of poverty which forces them into increasing





formed by poor women by extending credit facility, encouraging savings by the groups and promoting social networking and involvement.

SHGs have played a major role in poverty alleviation in many countries. More equitable access to assets and services – land, water, credit, banking and financial services strengthens women's rights and promotes economic growth. This would go a long way in ensuring sustainable development.

Countering Gender Inequality: The Common Aspiration

Several indicators of human development and gender parity reflect that India compared to other Low Income Countries (LICs) has achieved success over the years. In 2013, India fell under the Medium Human Development category, while a majority of the countries in Africa fell under the Low Human Development category, with the Gender Inequality Index value ranging from as low as 0.410 to 0.591 demonstrating that a lot can be done to empower women in Africa who face high levels of inequality and discrimination.

drudgery, longer hours of work under conditions of poor nutrition, food insecurity and falling health. The entrenched socio-economic prejudices results in progressive marginalisation of women's role in household, neighbourhood and in the community. However, despite these limitations, India has achieved some noteworthy success in women empowerment and poverty reduction.

Over the years various efforts have been made by many Government and Non-Government Organizations to promote women empowerment especially in rural areas. One of the important steps in the direction was the formation of Self Help Groups (SHGs). Linkage between SHGs and microfinance institutions further galvanized the process. By the end of year 2000, microfinance services had reached to over 79 million poor, especially women. Microfinance Institutions have served as an instrument for empowerment to SHGs

Table: Gender Inequality Index

HDI rank	Country	Gender Inequality Index Value, 2013	Gender Inequality Index Rank, 2013	Share of seats in parliament, 2013
Medium human development				
135	India	0.563	127	10.9
Low human development				
147	Kenya	0.548	122	19.9
151	Rwanda	0.410	79	51.9
159	Tanzania (United Republic of)	0.553	124	36.0
164	Uganda	0.529	115	35.0
173	Ethiopia	0.547	121	25.5
174	Malawi	0.591	131	22.3

Source: <http://hdr.undp.org/en/content/table-4-gender-inequality-index>

SHG as a tool for Economic and Social Empowerment of Women in India and Africa

As developing regions with high potential for cooperation on social, economic and political matters, India and Africa can mutually benefit each other through collaboration and cooperation.

India's success in achieving poverty reduction and socio-economic empowerment of poor women can in part be attributed to convenient and simple local level access of savings and credit services to marginalised communities through the formation of SHGs. Over the years women empowerment in India has made huge strides and the SHG movement has been a significant factor promoting this empowerment.

In this context, since the early 1990s, SHGs in India have emerged as a dominant 'community based institutional model' that provides basic financial services to its member and helps them progressively reduce social and financial vulnerability, expand livelihood opportunity and achieve socio-economic and political empowerment. Initially visualised as a platform for financial intermediation, over the past decades, the SHG movement in India has emerged as an effective institution to address socio-economic empowerment of women.

Impact of SHGs

- Significant impact on poverty reduction
- Enhanced ability of members to leverage finance for investment, consumption
- Cascading impact on choices for credit sources available to members' households
- Increase in access to formal institutions such as banking/ insurance/ credit sector

One of the most successful model, the Kudumbashree for instance, emphasises on political empowerment as a key result area and has adopted rights based approach where members of the programme proactively seek various social and economic entitlements. In other models, empowerment may not be the explicit aim but the assumption is that access to finance would lead

One of the most striking aspects of SHG movement in India has been the sheer scale the model has been able to achieve over the past two decade or so. It started with 300 SHGs in 1986 which crossed a million by 2004 and now, as of March 2014, there are 7.43 million SHG groups in India with 97 million members, 84 percent of which are women that are mostly poor.

pathways to other forms of empowerment. While the context, coverage and approach of different models of SHG's varies, various studies find that SHGs in general have made a positive impact on socio-economic condition and poverty of SHG members and their households. It has also reportedly empowered women members substantially and contributed to increased self-confidence and positive behavioural changes.

Promoting Partnerships for Women's Empowerment in India and Africa

The Government of UK's Department for International Development (DFID) through its Knowledge Partnership Programme (KPP), implemented by IPE Global, is producing and disseminating of high quality research, sharing Indian and global evidence on policies that impact development outcomes and supporting advocacy towards strengthening policy and programmes in many African countries such as Ethiopia, Kenya, Rwanda, Uganda, and Tanzania.

Within the ambit of the KPP, IPE Global commissioned a study to analyse the impact of SHG on the socio-economic empowerment of women in India and consolidate the lessons from the SHG models with a view to replicate such learning in the context of the LIC. The study focused on select government led SHG models that have achieved scale in their respective geography.

