

**ADDIS ABABA UNIVERSITY**  
**SCHOOL OF GRADUATE STUDIES**

**Economic Empowerment from a Gender Perspective: An  
Assessment of the Situations of Informal Self-Employed Women and Support  
Interventions by Local Governments, A Case Study of Jimma Town**

**MULUNEH HIDETO**



**A Thesis Submitted to the School of Graduate Studies of Addis  
Ababa University in Partial Fulfillment of the Requirements for  
the Degree of Masters of Art in Public Administration**

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**ADDIS ABABA**

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## ABSTRACT

*Empowerment, commonly of the poor and/or women, is considered as a crosscutting issue in developmental work apropos poverty reduction and gender equality. Closely linked to this vista, the study is conducted with the main objective of cross-examining the local government's stab at incorporating gender perspective in economic empowerment endeavors. A particular emphasis is thus, given to examination of the panorama of self-employed women in the informal sector and their access to productive resources and assets. Thereupon, the status of the informal self-employed women is appraised apropos livelihood engagements and labor, access to relevant information, collective capabilities and its benefits, financial support and access to credit, and awareness on salient policies and individual agency.*

*To comply with the objective of the study, data is collected from both the informal self-employed women and local government offices that are directly pursuing economic empowerment objectives. To this end, primary data is obtained through questionnaire survey, in-depth interview with local officials, and personal observation with some informal interviews. Secondary data are also collected from local offices and other sources.*

*The study's finding shows that the local government's effort in incorporating gender perspective in to economic empowerment programmes is quite low, even though a relative improvement is exhibited. In particular, the self-employed women in the informal sector are economically disempowered as they are constrained by limited or poor access to productive assets. Furthermore, the local supports available are also the one that reinforce women's traditional engagements that hardly yield a better income to achieve growth and improvement. Besides, constraints including lack of working premise, working capital, credit access, excessive domestic responsibilities are found as some of the prominent factors that erode the earnings of the informal self-employed women.*

*In general, to truly realize the empowerment of women and the poor women in the informal sector, a long way move forward must be made. Accordingly, to see a turnaround, policy implementers need to strictly adhere to existing policy and regulatory frameworks that enhances women's wellbeing apart from devising practical and feasible ways of unraveling the constraints of women engaging in activities with diminutive rewards.*



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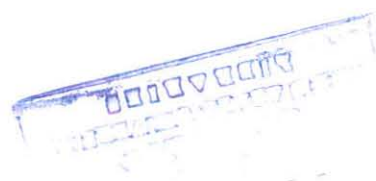
*DEDICATION*

*To my Brother Degu Hideto*

## ACRONYMS

|          |   |                                                                           |
|----------|---|---------------------------------------------------------------------------|
| ADB      | – | Asian Development Bank                                                    |
| AfDB     | – | African Development Bank                                                  |
| AFP      | – | African Partnership Forum                                                 |
| AU       | – | African Union                                                             |
| BDS      | – | Business Development Services                                             |
| BPfA     | – | Beijing Platform for Action                                               |
| CEDAW    | – | Convention on Elimination of all forms of Discrimination<br>Against Women |
| CIESIN   | – | Center for International Earth Science Information Network                |
| CSA      | – | Central Statistical Agency                                                |
| ETB      | – | Ethiopian Birr                                                            |
| FeMSEDA  | – | Federal Micro and Small Enterprise Development Agency                     |
| GDI      | – | Gender Development Index                                                  |
| GDP      | – | Gross Domestic Product                                                    |
| GER      | – | Gross Enrolment Rate                                                      |
| GTZ      | – | German Technical Cooperation                                              |
| HICE     | – | Household, Income, Consumption and Expenditure                            |
| HIV/AIDS | – | Human Immunodeficiency Virus/Acquired<br>Immunodeficiency Syndrome        |
| ILO      | – | International Labor Organization                                          |
| JTA      | – | Jimma Town Administration                                                 |
| MDGs     | – | Millennium Development Goals                                              |
| MFIs     | – | Micro Finance Institutions                                                |
| MoFED    | – | Ministry of Finance and Economic Development                              |
| MSDE     | – | Micro and Small Enterprises Development                                   |
| MSE      | – | Micro and Small Enterprise                                                |
| NEPAD    | – | New Partnership for African Development                                   |
| NGOs     | – | Non-Governmental Organizations                                            |
| NPEW     | – | National Policy on Ethiopian Women                                        |
| OoFED    | – | Office of Finance and Economic Development                                |

|          |   |                                                           |
|----------|---|-----------------------------------------------------------|
| OSSA     | — | Organization for Social Services and Action               |
| ReMSEDAs | — | Regional Micro and Small Enterprises Development Agencies |
| TIO      | — | Trade and Industry Office                                 |
| TVET     | — | Technical and Vocational Education and Training           |
| UN       | — | United Nations                                            |
| UNDP     | — | United Nations Development Programme                      |
| UNFP     | — | The United Nations Population Fund                        |
| UNICEF   | — | United Nations Children's Fund                            |
| UNIFEM   | — | The United Nations Development Fund for Women             |
| USD      | — | United States Dollar                                      |
| WAO      | — | Women's Affairs Office                                    |
| WAO/PMO  | — | Women Affairs Office of Prime Minister Office             |
| WEF      | — | World Economic Forum                                      |
| WMSs     | — | Welfare Monitory Surveys                                  |



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## **CHAPTER ONE**

### **INTRODUCTION**

#### **1.1 Background of the Study**

Empowerment is concerned with a person's or group's capacity to make effective choices and translate these choices into desired outcomes. It is the expansion of assets and capabilities of (poor) people to participate in, negotiation with, influence, control, and hold accountable institutions that affect their lives (Narayan 2006: 5; Kabeer 2003: 117). Further, the United Nations Development Fund for Women suggests that women's economic empowerment is having access to and control over the means to make a living on a sustainable and long term basis, and receiving the material benefits of this access and control. Thus, economic domain of empowerment goes beyond short-term goals of increasing women's access to income. It seeks to ensure longer-term sustainable benefits in terms of changes to laws and policies that constrain participation in and benefits from development and power relationships at the household, community and market levels.

Economic empowerment of women is a key strategic concern in order to create more gender parity and meet the needs of impoverished women both in urban and rural settings (Asian Development Bank (ADB) 2004: 51; CIESIN and UNFP 2005: 10; Meron, 2006). Evidence is growing that addressing the gender dimensions of poverty, inclusiveness and responsive development strategies undoubtedly enhance success and contribute significantly to economic growth as well to equity objectives by ensuring all stakeholders share development benefits (UN 2002: 15; Taylor 1999: 36; Warren 2007: 190; Kabeer 2003: 192). Nevertheless, this happens rarely. As Chirisa (2004: 25) opines, notwithstanding increasing awareness of specific constraints surrounding women, the implications of measures taken for its solution is little observed, in particular at the level of micro-economic planning. Consequently, mistake to address gender inequality has rendered an immense proportion of the world's real productivity undervalued and women's essential contributions to the welfare of families and nations go unrecognized which in effect discounts development initiatives. Thus, women are still persisting disproportionate share of poverty. Putting it differently, while both women and men may

experience a growing poverty, unemployment, and weak social support and social services; the incidence of poverty may clearly weigh heavily on women for the most part because of gender bias (Kalala 1999).

The Center for International Earth Science Information Network (CIESIN) and the United Nations Population Fund (UNFP) (2007: 12) workshop report indicate that gendered poverty is the recognition of women and men face poverty for different reasons and both experience and respond to it differently. Claros and Zahidi (2005: 2-4) also highlights the existence of inequality between women and men's economic participation and extent of impoverishment.

Extending this to Ethiopian case, women adult literacy rate for women is about 26.6 per cent while gross female primary and secondary enrolment ratio is about 78.5 per cent and 24.5 per cent, whilst the same is 92.6 per cent and 41.6 per cent for males. Further, women are being adversely threatened by HIV/AIDS and traditional ill practices. According to 1999/00 and 2004/05 WMSs, maternal mortality is still high with 673 deaths per 100,000 lives. Disparity also exists as reflected in high in unemployment rates for women in the country. According to the African Partnership Forum and New Partnership for African Development (AFP and NEPAD), (2007: 17) partly what makes women poor are social inequalities and lack of opportunities they face purely because of their gender.

Given the ubiquitous gender based social, economic, political, legal inequality, and lack of opportunities, have made numerous poor women resort to the informal sector as a strategy to earn livelihood. In year 2002, it was found that 92 per cent of job opportunities outside agriculture in Africa were in the informal economy (ILO, 2002). Chen et al. (2004: 37) assert that the increasing costs of life and public services have taken toll on the general poor and women vis-à-vis their conflicting roles in the household have made them the most vulnerable section. As the same source set out, these impoverished women tend to engage in least-rewarding activities such as street trading or vendor in cheap items like fruits, vegetables to mention some as part of response to poverty pressures.

As elsewhere in Ethiopia the same situation is trend to reflect in the study site. Therefore, this study examines and analyses this issue in relation to the data obtained from the locality. An attempt is also made to identify policy gaps and propose policy and administrative measures to uphold women's economic empowerment.

## **1.2 Statement of the Problem**

APF and NEPAD (2007: 19) asserts that part of the core challenges and constraints faced in developing countries and vastly in Africa are harnessing of human resources to fight poverty and hunger, bridging the educational gap, winning the war against HIV/AIDS, reversing the brain drain, and other evil things that are linked to poverty. These challenges forming the vicious circle of poverty and cannot be overcome without unlocking the potential and utilizing the ever unused and undermined resources and capacity that lie in the hands of women (Claros and Zahidi 2005: 5; APF and NEPAD: 25).

Researches have identified that attaining women and girl's education, for instance, will have strong positive impact. To note, one per cent improvement in Gross Enrollment Ratio (GER) in female education in Ethiopia case, contributes about 0.1 per cent to per capita GDP growth. Thus, this fact implies that the promotion of women education not only improves the quality of life but also strengthen economic growth. Moreover, if the trend in gender disparity decline by 0.5 per cent points, the economy could as a result grow by 0.4 percentage points (Meron, 2006; MoFED and UN 2004: 31).

Despite the growing consensus on the issue of addressing gender disparity, due to lack of attention and resources women economic empowerment remains elusive. Claros and Zahidi (2005: 15) in the report of World Economic Forum indicate that no country has yet managed to eliminate the gap between women and men's economic participation even in the developed economies. Therefore, the devastating effects of poverty, discrimination and lack of opportunity continue to affect women in multiple ways, not only just their income levels. For instance, in Africa maternal mortality is still extremely high. An African woman's average workday lasts 50 per cent longer than that of a man and she shoulders the burden of unpaid activities. What is



more, limited education and employment opportunities for women in Africa reduce annual per capita growth by 0.8 per cent. Had this growth taken place, Africa's economies would have doubled over the past 30 years (APF and NEPAD 2007: 12).

Ethiopia is no exception on this regard. Gender disparity and inequality is a common experience in every endeavors of life. Moreover, women in the country disproportionately share the persistent burden of poverty. According to the Central Statistical Agency (CSA), the national gross enrolment at primary school in 2002/03 was 53.8 per cent for girls and 74.6 per cent for boys. Likewise, on the same year, the GER at secondary level was 14.3 per cent and 24 per cent for female and male respectively. Maternal mortality is also high with 870 per 100,000 live births; though it has decreased to 673 per 100,000 live births in 2006.

Further challenge in Ethiopia is the implications of taking gender seriously are little acted upon at micro level owing to lack of resources and commitment to its implementation. Haregewoin and Emebet (2002: 24-28) indicate the salient situation of formulating and ratifying relevant policies and conventions on women and go on to say;

*'... implementation has often been a problem, mainly due to limited capacity, unsatisfactory understanding of the policy by implementers, especially those on women. There is also attitudinal problem with regards to gender equality, and often there are competing priorities, and it is often women's issues that are pushed away.'*

Due to such intricate problems, women in Ethiopia are disproportionately suffering from poverty. Thus, they are limited by poor access to and control over productive resources, unequal access to services like credits, inputs and agricultural extension, education and health as well as lack of decision making power (Haregewoin and Emebet 2002: 11; Zewde and Associates 2002: 5; Stevenson and St-Onge 2005: 10).

Such constraints and lack and/or limited access to the formal sector paired with increased costs of living, women in Ethiopia like that of their African counterparts, are impelled to find

alternative income sources in the informal sector engagements. As such, the urban economy and livelihoods are dominated by employment in the informal sector. The CSA urban informal sector survey of 1999 shows the urban informal sector employment reached about 1.15 million, comprising about 50.6 percent of the 2.88 million total urban employments. Women employment accounts for about 58 per cent of the employment in the sector this year.

In consideration of the case study area, the national level trend seems to prevail. As documented by the Women's Affairs Office (WAO) of Jimma town, women in the locality are highly imperiled by economic, socio-cultural, political problems and harmful traditional practices. Further, most of the women in the town are less educated, poorly involve in income generating activities, and tend to occupy low-income informal livelihood engagements in case they participate in productive activities because of long held unfair gender construct. Even within this sector, there persist gender disparities as males compared to their female counterparts, have high prospect of engaging in relatively higher income earning activities, such as construction, manufacturing, trade, transport and so on.

Yet, the conclusion that strategies designed in response to these problems are not effective is assumed to apply to specific regions and localities. However, mapping the situation at national level to specific localities (including the study area – Jimma town) might not reflect exactly the same pattern. In account of this fact, thorough examination of intervention measures in force to address the constraints and challenges of women is important. Therefore, such endeavor provides insight for policy makers and implementers on practical, feasible and concrete approaches of meeting the needs of impoverished women engaging in unproductive and least-rewarding activities. Thus, the study is worth conducting as a thorough examination and analysis of the venture of economic empowerment from gender perspective provides enhancement and direction to the ongoing stab at solving the aforementioned problems related to women. So much so, this study is deliberated to assess the level of gender considerations made in economic empowerment schemes as reflected on access of women to productive assets. Specifically, area of core concern of the study is the appraisal of the panorama of self-employed women in the informal sector and the corresponding support of the local government to enable them pursue an adequate standard of

living over their working lives. In consideration of this main theme of the study, the following core questions are attempted and expounded.

1. How well the local government scheme for enhancing the economic empowerment of the local population is guaranteeing participation of women?
2. How well these interventions are deliberated to overhaul the situation of informal self-employed women entrepreneurs in relation to boosting their access to productive assets?
3. What the status of informal self-employed women's economic empowerment is as reflected on their access to and control over productive assets?
4. What ways are there to enhance the economic domain of empowerment of women entrepreneurs?

### **1.3 Objectives of the Study**

The study in general premeditated to assess and examine the local government's stab at economic welfare/empowerment enhancement endeavors from gender perspective with a vested interest on the cross-examination of the situations of self-employed women in the informal sector and the corresponding support of the local government to enhance their access to productive resources and assets. More specifically, the core aim of the study is pursued through the following intricately linked objectives:

1. assess and evaluate the extent to which local economic support interventions and frameworks give considerations to women in general and the self-employed women entrepreneurs in particular
2. examine the situations of the self-employed women in the informal sector and their access to productive assets and resources that underpin economic domain of empowerment
3. analyse how and why women invest the bulk of their time and effort in low value-adding economic activities with diminutive returns
4. identify policy gaps, if any, and propose administrative and policy measures in order to harness the effectiveness of economic empowerment interventions

## **1.4 Research Methodology**

For achieving the stated objectives of the study divers set of data are used. Hereunder, discussion related with the materials and methods used for the study is made .

### **1.4.1 The Rationale for the Study Area Selection and the Study Population**

The Special Zone of Jimma Town is purposely selected as a study area, as there are broad intervention measures that are taken by the local government to ensure economic empowerment of the local population. Moreover, the past exposure of the researcher to the area is believed to merit the successful achievement of objectives of the study. This study area is one of the largest towns in southwest Ethiopia. This town is located in the Jimma Zone of the Oromia Regional State with the latitude and longitude of 7<sup>0</sup>41' N, 36<sup>0</sup>50' E. The bulk of the survey is carried out in Jimma town from February – April 2008. To achieve the stated objectives of the study, a population of all self-employed women in the study area who do not have license and registration with the town's Trade and Industry Office (TIO, hereafter) are taken as a population of this study. As there are no documented records available on the size of the informal sector in the town, it is found difficult to quote the estimate of the study population.

### **1.4.2 Data Sources and the Sample Design**

The study has involved two key set of actors as a source of data. The first actors participated in this study are the self-employed women in the informal sector while the other participants are the local government's offices that are actively participating in the economic empowerment of the local people. In the former case, data are collected from informal self-employed women who obtain their livelihood by engaging in the informal sector. The data collected from these self-employed women entrepreneurs in the informal sector is analyzed and interpreted to have a clear picture of their economic empowerment status in the sector. In the later case, the local government offices considered is those directly dealing with economic empowerment of disadvantaged local people and women's economic empowerment in particular and offices responsible for mainstreaming gender into economic empowerment and henceforth, enhance the resource base of the people in the locality. In other case also, local governmental agencies are

important source of information in that they are daily engaged with planning and implementing local economic development policies, programs and plans, and actions.

To comply with the objectives of the study, data is obtained from the two aforementioned set of actors; the self-employed women entrepreneurs in the informal sector and the local government offices. Accordingly, two alternative techniques are employed to contact each of these two groups in the following ways.

*i. Sampling Technique for Informal Self-Employed Women*

Beyond a shadow of doubt, making a complete enumeration of the self-employed informal operators is time taking and difficult lest impossible owing to the observable large number of people engaged in the informal sector. Therefore, to ensure the inclusion of appropriate representative sample of the population, a multistage stratified random sampling technique is employed. Accordingly, the women are classified in to four strata based on four purposively selected activities representing the most common types of activities that are undertaken by women in the locality. These activities are;

- cooked food, vegetable and fruit selling
- dressmaking and embroidery
- hairdressing
- petty trade of commodities

Then, further consideration is given to the domain of operation or spatial location where such activities are carried out. Thus, the informal self-employed women are grouped under each of the above set of activities are subsequently categorized under three urban zones. These zones are; the open public market and commercial centers, residential areas (non-commercial centers), and street vendors. Among the women informal own-account-operators, those engaged in dressmaking and embroidery and hairdressing activity do not fall under the urban zone of street vending since the nature of their activity requires having a fixed place in any other places identified for this study. Accordingly, the overall women's earning their livelihood in the informal sector is grouped in to ten strata based on their spatial location or urban zone in which they undertake their respective activities. Then, from each stratum a sample of informal self-

employed women are selected as a key informant based on the observation of the researcher as to the size of the operators at the selected centers in the town. Further, detail description of the number of key informants’ strata in terms of the domain of their operation and types of engagement activity is presented in Table 1.1 below.

**Table 1.1 Sample Informants Disaggregated by Activity and Location**

| Types of Activity          | Domain of Operation |                |        | Total |
|----------------------------|---------------------|----------------|--------|-------|
|                            | Commercial Places   | Street Vending | Others |       |
| Food and Vegetables        | 18                  | 12             | 18     | 48    |
| Dressmaking and Embroidery | 19                  | 0              | 15     | 34    |
| Hairdressing               | 21                  | 0              | 16     | 37    |
| Petty Trade                | 16                  | 9              | 14     | 39    |
| Total                      | 74                  | 21             | 63     | 158   |

As highlighted earlier, it is worth to mention the problem of acquiring or fixing the total population size of women in the informal sector in the town as well as in the survey centers, since there are no documented records available with the local offices on the subject matter.

*ii. Sampling Technique for Local Offices*

In discussing the data sources needed for this study, it is mentioned that local offices that are accountable with the economic empowerment of the local people are the key sources of data. Moreover, key offices that are established to enhance the resource base of women are the subjects of the study. On the ground of this, three local offices are contacted. Local government offices are purposively selected according to their responsibility and programs related to the theme of the study. In accordance with this, the following local government’s offices are contacted.



**Table 1.2 Local Offices Contacted**

| No. | Name of the Office                                     | No. of Key Informants |
|-----|--------------------------------------------------------|-----------------------|
| 1   | The Office of Finance and Economic Development (OoFED) | 2                     |
| 2   | The Women’s Affairs Office (WAO)                       | 2                     |
| 3   | The Trade and Industry Office (TIO)                    |                       |
| 3.1 | Micro and Small Enterprises Development (MSDE) Section | 1                     |
| 3.2 | License and Registration Section                       | 1                     |

These offices are more directly concerned with the women’s economic empowerment and mainly knowledgeable with the subject matter and above all, they are responsible to initiate and facilitate the concern for gender and economic empowerment.

**1.4.3 Types of Data**

In this study, both the quantitative and the qualitative approaches are employed. This enables to give a descriptive as well as a better understanding with regard to behavior, dynamics and processes of what happens in mainstreaming gender into economic development. The study tries to document the facets of gender incorporations into economic empowerment process and support to the poor in the informal sector livelihood. In particular, the study focuses on issues of the effectiveness of interventions on meeting the needs of impoverishes women in the informal sector. Hence, the study is endeavored to reach and assess as much important data and information about the effort of gender incorporation in to economic empowerment activities that intended to enhance the resource base of the local population. All the data collected are mainly sought to measure and evaluate variables related to the effort in gender mainstreaming into economic empowerment in the policy frameworks, the status of women in the informal sector at individual level of analysis in terms of their economic opportunity.

To this end, both primary and secondary data type is used. The primary data is believed to enrich the study with original and reliable information. Moreover, a clear insight of the situation of impoverished women in the informal sector is majorly obtained from this first hand data. The secondary data will create a clear understanding of the situation of poor urban women in the

informal sector and enable to see the profiles of the intervention measures and the progress achieved to date by the local government in the endeavor to meet the expectations of improved economic empowerment for the local community. In addition, secondary data is important as it supplements the primary data to create a clear picture of the subject before hand.

Secondary data is obtained from such relevant sources as documents of the local economic development units, performance reports, annual plans and gender related budgets, databases of the WAO, OoFED, TIO, MSED section offices, and their program profile and action plans and initiatives that are put forward and being implemented by the local government offices are thoroughly examined. In addition, previous researches, discussion and working papers, Journals, and Articles with national and international theme are retrieved and reviewed to shape the direction of the study.

#### **1.4.4 Modes of Data Collection**

The choice of research method is the reflection of the interplay of various factors including the aim of research, specific analysis goal and its associated research question, the scope of the study, and the available resources and time frame. Appreciating this, qualitative methods of data collection are adopted as a research instrument for this study. Qualitative methods comprise of a wide range of techniques and/or tools of data collection. In this study, prominently three of them are used, namely; in-depth individual interview with officials of selected offices, personal observation, and questionnaire survey are employed.

To examine and evaluate the socio-economic dynamics and status of women in the informal sector a well-structured questionnaire is prepared and administered to women in the informal sector. Thus, in order to obtain a clear picture of the reality the questionnaire is well structured and is made flexible enough. To obtain the local governments perspective on the issue, in-depth interviews are conducted with selected key informants from offices mentioned above. These interviews are rich sources of data on people's experience, opinions, and feelings. On top of these, personal observation is also the other means of obtaining important data for this study. In

addition to the prominently used mode of data collection, some informal interviews are made to develop better insight of the situation of women in the informal sector.

#### **1.4.5 Data Analysis Procedures**

The raw data collected by the means of questionnaire instrument mentioned above are thoroughly checked and examined for reliability and validity. Then the data is transformed in to appropriate format and the scrutinized data is coded and input into a computer. Key variables are cross-tabulated and analyzed in statistical analyses using the SPSS program. The results are presented in absolute figures and percentages, using tables, charts and graphs. Chi-Square test is also applied for verifying the intra-activity difference on some selected variables. In addition, narration of important qualitative information that is obtained through personal observation and further explanations on the responses of the informants is made thereon. The data generated through individual interview and questionnaire had been transcribed and qualitatively analyzed. To sum up, in analyzing the data emphasis is placed on ensuring the logical link between the research methodology, the theoretical framework, the research problem and the results.

#### **1.5 Significance of the Study**

Poverty is multi-dimensional and exploration of its problem, along gender lines result in the important input to the solution. In account of this fact, this study is significant as it helps the local government and other concerned agencies and institutions to understand and act upon the widespread problems and constrains of poor urban women entrepreneurs. Thus, such proper diagnosis and articulation of policy interventions is believed to realize the eventual empowerment of this disadvantaged group. Furthermore, it is a contribution to the scant researches and surveys available related to the gender and economic empowerment dynamics in the informal sector. Hence, it can serve as a stanching ground for other researcher interested to conduct further investigation.

#### **1.6 Scope of the Study**

This study systematically endeavored to examine how gender needs and concerns have been channeled in the arena of economic empowerment and development policies and programs with a particular focus on meeting the needs of poor women in the informal sectors (economy) livelihoods. So much so that the informal sector activities range from mini establishments to small and medium scale businesses, making a detailed investigation on every of these activities and engagements is undoubtedly not feasible given time factor and resource constraints. Therefore, the study respondents are those who involved primarily as women entrepreneurs and the local government offices only who are in one way directly or indirectly affiliated with women issues in order to promote the need and practice of economic empowerment of women.

This study largely elicited data and information from sample respondents on which much effort is exerted to ensure its representativeness. In addition, selective assessment of the goods and services that the women deal with is made. The goods and activities that are to be considered in this study are the one referred as least rewarding such stuffs that are sold on retail basis. These engagements are those mainly provided through sole proprietorship with the assistance of the family members or one or two hired workers.

### **1.7 Limitations of the Study**

Firstly, in this study, even if utmost effort is exerted to ensure the representativeness of the sample informants, it may not be perfectly represent the total population of women engaged in the informal sector. Secondly, as selective assessment of goods and services are made, it is not be feasible to provide generalized conclusion for the entire informal sector engagements. Thirdly, unlike the formal sector, the informal sector encompasses less visible undertakings, the time to carry out the research was so limited that rush judgements were inevitably possible. The field research was executed in a space of about three months but it would require several months, if not years, to accomplish and as well get to the root of the reality in addition to considering a significantly large sample size. Other resources like manpower and finance were in great limit.

In addition, both informal self-employed women and public institutions were approached in this study and they posed different problems for effective and timely execution of the research. The

main constraint faced was the bureaucratic character of the different offices and lack of cooperativeness with some self-employed women and some turned down the interview sessions and the questionnaire survey, citing many different reasons. Lastly, the response of few informants may not be genuine as the content of the study is to some extent subjective.

### **1.8 Organization of the Study**

The study is aimed at examining and understanding of the dynamics of mainstreaming gender and economic empowerment. To address this major theme, the layout of the thesis is organized in to five major parts. The first chapter outlines the introductory part, which is prominently included the statement of the problem, aims of the study, its purposes and the research design and methodology. The second chapter will assess and examine theoretical and conceptual frameworks as related to gender and economic empowerment. Particularly literatures, researches, working papers Journals and other valuable documents related with economic empowerment and informal sector livelihoods are explored in detail.

Likewise, the third chapter is dedicated to the analysis of policy and program framework relating to women at national level. This chapter probes in to the programs and policies of the government towards the informal economy and creates understanding of the state perspective on the subject area. The discussion on the informal sector, gender and local economic development trend in the study area is thoroughly made in the fourth chapter of data analysis and interpretation part. Furthermore, in this chapter focus on measuring and evaluating the status of economic empowerment of the informal self-employed women in the sample survey is made. Finally, in the fifth chapter, the conclusions to be drawn and articulation of ways towards the future and description of administrative and policy interventions to solve the challenges and constraints of women in the informal economy are presented.

In summary, the intent of the first chapter has been to introduce the purpose and rationale of the research endeavor. Thereof, clear background information is provided on the issue of why gender consideration is important in economic empowerment deliberations and the outline of the research questions and objectives to be addressed in the study are articulated. The materials and

methods used for achieving the desired objectives of the study are specified. Further, the significance of the study and the limitations are pointed out. On account of these basic guidelines of the study, the next chapters take the following directions: chapter two presents the review of literature around the theme of the study; chapter three further furnishes the Ethiopian context of gender economic empowerment and salient legal and regulatory frameworks for ensuring women's wellbeing. The forth-coming chapters further deal with discussion of field results and conclusion and recommendations.



## **CHAPTER TWO**

### **REVIEW OF RELATED LITERATURE**

This chapter has structured in to four sections. The first section presents overview of poverty from a gender perspective. In the second section, discussion related to the dynamics of informal sector in the context of developing countries is made. Discussion of the concept and the means of gender mainstreaming in poverty reduction programs is made later in the third section. The last section is further dedicated to explore about empowerment in the context of poverty reduction and improving gender equality in economic space.

#### **2.1 The Panorama of Poverty and Gender: An Overview**

We have been witnessing the unending debates on poverty and the assessment of its multidimensional facets. Even if, there is no universal agreement on what constitutes poverty, conventional definitions point out that it can be understood in terms of income and/or consumption levels of households and poverty line constructs (Jackson and Jones 1999: 557; Asmamaw 2004: 1-2; Moser 2007:19). The World Bank Operational Directive on poverty asserts that people are poor if their living standard falls below the poverty line that specify the minimum amount of income or consumption required to attain the lowest acceptable level of nutrition and other necessities (World Bank 1992b cited in Hanmer et al. 1999: 775).

Poverty is much abhorred and there is no hesitation to that. Against this will however, innumerable people are being stricken by poverty in different part of the world. It is indicated that over 1.2 billion people lived on less than one USD a day in 2000. The majority of these poor people were women. And, women earned slightly more than fifty percent of what their male counterparts earned which demonstrates a clear case of dependence on the part of the women. Poverty manifests itself in different problems which however necessitate its own independent research to fit to the local scene. Nevertheless it is possible to name some of the profound ones: economic spheres of consumption and expenditure, production, politico-administrative, economic, spatial, access to infrastructure and socio-cultural (Asmamaw 2004: 14-23; Chen et al.

2004: 6). These problems are naturally interlinked and require one to have a mixed set of analysis in order to reach a complete diagnosis of the notion embodied in poverty.

Kabeer (2003: 81-82) describes that poverty is anathema to the utter human race, it is by far enormously affecting the female section; hence the labeling '*feminization of poverty*' and also called '*gendered poverty*.' In brief, the description of poverty feminization is a situation where female-headed households and women in general '...find themselves in increasing proportions among the poor population.' Gopal and Salim (1998:117 cited in Chirisa 2004: 24). Consequently, women experience lower status even in the so-called developed countries and they bear disproportionate share of poverty burden in developing nations.

Consequent to gendered poverty, inclusion of gender interests and perspectives has been a crosscutting issue in developmental concerns. The notion of development in whatever form it is comprehended signifies a contrary idea to poverty. A number of development programs, policies, and plans have been drafted, initiated, legislated, and implemented with the hope to reduce or eradicate poverty. A particular endeavor in this regard has been struggle of women against poverty. This struggle is defined in the way it is geared towards a pursuit for a place in the development scheme in general (Kabeer 2003: 11).

## **2.2 The Dynamics of Informal Sector in Developing Countries**

### **2.2.1 Definition of Informal Sector**

There is still unresolved dispute over the definition of informal sector. However, there have been strong and valid definitions given to the informal sector. In an attempt to define this sector, ILO takes the lead. The ILO (1972 cited in Chen et al. 2004: 16) defines the informal sector as enterprises with all or most characteristics in a list that includes 'family ownership, small scale of operations, and labor-intensive methods.' Weeks (1975 cited in Pratap and Quintin 2006: 3) also defined informal sectors and hence activities as enterprises that are unrecognized and unregulated by the state. In attempt to distinguish between the formal and informal economy,

Hart (1973) defines the formal sector as wage earners as opposed to self-employed workers.<sup>1</sup> In the definition the informal sector is solely comprised of those who are self-employed, which makes it is quite a narrow definition.

Further, a dualistic view has developed by Lewis (1954) and Mazumdar (1975) bases the distinction between informal and formal workers on whether or not they receive protection from the government and/or trade unions (cited in Pratap and Quintin 2006: 3). The informal sector, according to the CSA (2004: 12), refers to household type establishments or activities, which are mainly engaged in marketed production, non-registered companies or cooperatives have no full written book of accounts, have less than 10 persons engaged in the activity, and who have no license. With in this framework of understanding CSA has been conducting its surveys.

The definitions presented above are found quite narrow and failed to provide a clear picture of the informal sector and the economic activities it encompasses. Based on consideration of the criticism on the earlier definition, ILO (1993 cited in Chen et al. 2004: 21-22)<sup>2</sup> worked to broaden the concept and definition of the informal sector. The new definition is then considers the informal sector as comprised of all forms of '*informal employment*' – employment both in informal and outside informal enterprises without formal contracts, worker benefits or social protection. Thus, the informal employment arrangements include:

- Self-employment in informal enterprises – workers in small unregistered or unincorporated enterprises. It includes employers, own account operators, and unpaid family workers
- Wage employment in informal jobs – employment without formal contracts, worker benefits or social protection for both formal and/or informal firms, for households or with no fixed employer. It includes employees of informal enterprises, other informal wagedworkers such as casual or day laborers, domestic workers, unregistered or undeclared workers and temporary or part-time workers and home workers

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<sup>1</sup> As cited in Chen et al. (2004: 15), Macharia (1997: 54) and Wikipedia internet encyclopedia (2008), the British economist, Keith Hart coined the term informal sector in his 1971 study of Economic Activities in Urban Ghana

<sup>2</sup> A frequently cited personality in this paper, Professor Martha Alter Chen is Coordinator of ILO's Women Informal Economy: Globalizing and Organizing division and a Professor at Harvard University during publishing the 2004 and 2005 study related to the dynamics of informal sector

In their presentation of debates on the informal sector and its definition, Pratap and Quintin (2006: 4) assert that what has provided by Castells et al. (1989) conveys a broader and relatively universal definition of informality. This definition considers informal activities as;

*'... a "process of income-generation" that is "unregulated by the institutions of society, in a legal and social environment in which similar activities are regulated." The informal sector, in this broad sense, includes all production establishments that fail to comply with government regulations such as taxes and the labor code and all workers who fail to receive government mandated benefits or are paid below the minimum wage.'*

The definitions of ILO's and Castells et al. that are presented above provide broader horizon for understanding the informal sector and its dynamics.

### **2.2.2 Debates about the Informal Sector**

As Chen et al. (2004: 17) summarized the ongoing debates on the informal sector, there are three dominant schools of thought regarding what gives rise to the informal sector, its defining characteristics, and its links to the formal regulatory environment. These are the dualist, structuralist and legalist schools of thought.

Accordingly, the dualists school of thought including the ILO's 1972 conception of the informal economy, assert that this sector is a separate marginal economy not directly linked to the formal economy, providing income or a safety net for the poor. The structuralists school purport that the informal economy is subordinated to the formal economy. As proponents of this school suggest, some capitalists seek to subordinate petty producers and traders in order to reduce their costs of production. On the other hand, the legalists presume that informal work arrangements are a rational response by micro-entrepreneurs to over-regulation by government bureaucracies. In this view, unreasonable government rules and regulations are stifling private enterprise. In further commentary, Chen et al. (2004: 17) indicate that the conception of the dualist school is currently outdated, while the legalist perspective is used to explain the deeds of those who prominently seek to avoid the costs associated with formalizing their enterprises. The structuralist perspective

is also used to explain the sub-contractual relationship among formal and informal institutions and workers. For further consideration, Box 2.1 below presents the conspicuous features of the informal economic activities based on the revised conception of ILO.

**Box 2.1 Views and Features of the Informal Economy**

**The New View**

- the informal economy is '*here to stay*' and expanding with modern, industrial growth
- it is a major provider of employment, goods and services for lower-income groups and it contributes a significant share of GDP
- it is linked to the formal economy – it produces for, trades with, distributes for and provides services to the formal economy
- much of the recent rise in informal employment is due to the decline in formal employment or to the normalization of previously formal employment relationships
- it is made up of a wide range of informal occupations – both '*resilient old forms*' such as casual day labor in construction and agriculture as well as '*emerging new ones*' such as temporary and part-time jobs plus homework for high tech industries
- it is made up of non-standard waged workers as well as entrepreneurs and self-employed persons producing legal goods and services, albeit through irregular or unregulated means. Most entrepreneurs and the self-employed are amenable to, and would welcome, efforts to reduce barriers to registration and related transaction costs and to increase benefits from regulation; and most non-standard wage workers would welcome more stable jobs and workers' rights
- informal enterprises include not only survival activities but also stable enterprises and dynamic growing businesses, and informal employment includes not only self-employment but also wage employment. All forms of informal employment are affected by most (if not all) economic policies

Source: Adopted from Chen et al. (2004: 20): Mainstreaming Gender and Informal Sector into Poverty Reduction

**2.2.3 The Legal Status of Informal Sector**

Scholars suggest that even if employment arrangements are commonly semi-legal or illegal, most informal workers are engaged in production of legal goods and services. Taking account of the social and political dynamics of informal sector in Kenya and Zimbabwe, Mecharia (1997: 39) goes on to say;

*'Informal sector is all those activities operated without direct state regulation. ...they are illegal but not illegitimate in the eyes of the society. Thus, I distinguish*

*between the illegitimate ones, which include criminal activities such as drug selling, soliciting or engaging in prostitution, and so on.'*

This definition distinguished some criminal activities out of the informal sector, which others consider as its part; nonetheless, it provides a good legal approach to the sector from the societal perspective. A survey carried out by German Technical Support (GTZ) (2000 cited in Zelalem 2006: 43) on the attitude towards the informal urban businesses in Addis Ababa indicated that most community leaders and households in the city have a positive outlook towards the informal activities. On the other hand, government officials reflect negative outlooks. Therefore, from this one can notice that mostly the informal sector's engagements are not considered as illegitimate from the society's perspective. In addition, Chen et al. (2004: 24-24) assert that the informal sector may comprise the criminal activities, yet it is only the small part of a larger whole. Hence, for the most part, the informal sector is *'not illegal or criminal.'*

#### **2.2.4 Composition of the Informal Economy**

Studies are revealing the prominent role of the informal enterprises in income and employment generation. According to ILO (2002) estimations, in all regions of the developing world informal employment outside of agriculture represents nearly half or more of the total non-agricultural employment. It ranges from 48 per cent in North Africa, to 51 per cent in Latin America, 65 per cent in Asia and 72 per cent in sub-Saharan Africa. The informal sector is also a larger source of employment for women than men in developing countries, for example in sub-Saharan Africa 84 per cent of women non-agricultural workers are informally employed compared to 63 per cent of male non-agricultural workers.

#### **2.2.5 The Links between Informal Employment, Poverty and Gender**

Though there is shortage of data, there have been attempts to see whether there is some linkage between gender and being engaged in the informal sector. Whitehead and Lockwood (1999: 526) and Kabeer (2003: 78) found that female-headed households are worse off than male-headed households in some countries, though not all. Accordingly, substantial numbers of women live in

poverty with relative variation across countries. Further, Kabeer (2003: 92) quoted, 70 per cent of poor people in the world are women.

In relation to the link between informal sector and being poor women, Chen et al. (2004: 37) set out a proposition that most women in poor households seek remunerative work. As empirical evidence, data compiled by Lampietti and Stalker (2000 cited in Chen, 2004: 38) shows that in most developing countries surveyed poor women are more likely to be employed than non-poor women are. Further, study of Peru, for instance, more poor women than non-poor women participate in the labor force, except in the 25–44 ages group for which economic activity rates are slightly lower for poor women. Accordingly, the subsequent assertion related with such trends is that most working poor women as well as men are in the informal economy.

In addition, Chen et al. (2004: 39) consider two global features on the link between poor women and working in the informal sector. Thus, the first feature is, men tend to be over-represented in the top and women tend to be over-represented in the bottom segment of employment hierarchy as unpaid family workers. The second global fact is that there are significant gaps in wages or earnings within the informal economy. Kabeer (2003: 117) also supports these two facts based on empirical evidences she analyzed. Therefore, these evidences show the valid nexus of poverty, informal employment and being women.

## **2.3 Gender Mainstreaming Frameworks**

### **2.3.1 The Concept and Importance of Gender Mainstreaming**

According to UN (2002:1), gender mainstreaming is:

*'... the process of assessing the implications for women and men of any planned action, including legislation, policies or programs, in all areas and at all levels. It is a strategy for making women's as well as men's concerns and experiences an integral dimension of the design, implementation, monitoring and evaluation of*



*policies and programs in all political, economic and societal spheres so that women and men benefit equally and inequality is not perpetuated. '*

As Muwanigwa (2002: 6) pointed out mainstreaming specifically, reinforce women's dynamic involvement in poverty reduction at least in two ways. In one hand, it links women's capabilities and contributions with macro-economic as well as micro-economic issues. On the other hand, it allows analysis of women's actual and potential role in all sectors of the economy and impact of all policies plans and programs on women.

In support of this outlook, Taylor (1999: 21-26) suggests analysis of what women and men do and why, who has access to and control over resources and/or benefits, needs of women and men, and constraints or opportunities for equality of opportunity in socio-economic, political and environmental context. In addition, UN (2002: 13) and Taylor (1999: 15) assert that gender mainstreaming need not be regarded as additional burden of policy makers rather it is their normal responsibility and fair share of their deed. Annex I presents a checklist on how gender issues are incorporated in development plans, program elements and projects as adopted from Taylor (1999).

### **2.3.2 The 1995 Beijing Platform for Action (BPfA)**

In the outset of the preamble or otherwise called the mission statement the platform is explicitly indicated to serve as an agenda for women's empowerment. Particularly, the BPfA (1995) document indicates as to how the empowerment:

*'... removing obstacles to women's active participation in all spheres of public and private life through a full and equal share in economic, social, cultural and political decision-making. This means that the principle of shared power and responsibility should be established between women and men at home, in the workplace, and in the wider national and international communities. '*

What is central to this platform for action is the question of women empowerment with emphasis given to gender, population and development. Accordingly, it sets key areas of action, including measures to:

- identify violence against women as a human rights violation
- monitor trafficking of women and condemn exploitation of women and girls for economic and sexual purposes
- respond to the impact of HIV/AIDS on the health of women and girls internationally, particularly in Africa
- expand entrepreneurship and credit availability, including micro-credit
- emphasize "gender mainstreaming" in all economic policies, institutions, and resource allocations
- promote women's role in conflict resolutions and peace-building, and the role of men in promoting gender equality

Consequent to the UN member countries commitment by unanimously adopting the BPfA in 1995, the platform pledged the signatory countries to mainstream a gender perspective into all areas of their social and economic development programs. Accordingly, Ethiopia, as a signatory to the BPfA is part of this move to execute the mandates of the commission.

### **2.3.3 Gender Equality and Growth: 'The missed potential'**

In emphasizing the need for ensuring gender equality, the UNDP states its adage of '*If it is not engendered, it is endangered.*' As this maxim conveys, if any development endeavor fails to consider gender perspectives in to account its achievement will eventually stagger (Taylor 1999: 13). Blackden and Bhanu (1999 cited in APF and NEPAD 2007: 12) and UN (2002: 11) have summarized the costs of gender inequality for Africa. Accordingly, Box 2.2 presents the missed potential and the economic costs of gender inequality.

**Box 2.2 Gender and Growth: Africa’s missed potential**

African women work far longer hours than African men do. On average, their workdays may be 50 per cent longer. Their work is closely integrated with household production systems. Women are especially prominent in agriculture, particularly in processing food crops, and in providing water and firewood. Income earned by women is more likely to be used productively such as for children’s food, clothing, and education. Women farmers receive only 1 per cent of total credit to agriculture. Women are less likely to control the product of their labor than men, reducing their incentives to pursue productive, incoming-earning opportunities. And between 1960 and 1990, average schooling for African women increased by only 1.2 years, the lowest gain of any region.

Some cross-country studies suggest that if African women were given equal access to education and productive factors, growth rates could be as much as 0.8 percentage points higher. In addition, patterns of capital formation tend to be biased against investments such as wells and fuel-efficient stoves, with the potential to unlock more female time for high-productivity activities and education.

Thus, Africa is missing the productive potential of more than half its effective workforce. Therefore, measures to increase gender equality in Africa, in addition to their social and distributional implications, have considerable potential to accelerate growth. What is standing in the way? Longstanding traditions and power. Women’s political participation is still low – only 6 per cent in national legislatures and 2 per cent in cabinets. Half the national cabinets have no women.

*Source:* Adopted from Blackden and Bhan, 1999

**2.4 Understanding Empowerment in Development Context**

**2.4.1 The Concept of Empowerment**

Scholars state that there is lack of consensus as to what empowerment mean and measurement indicators, notwithstanding its increasing acceptance and support in developmental concerns. In discussing methodological measurement of empowerment, Malhotra et al. (2006: 71) and Mosedale (2005: 2) mentioned that the terminologies and methods for systematically measuring empowerment are not well established. Nevertheless, empowerment seems to remain a fluid concept, conventionally empowerment is concerned about creating opportunity for people who are outside the decision-making process into it through the means of ensuring access to political structures and formal decision-making, and in the economic sphere of access to markets and incomes that to enable them participate in economic decision-making (Rowland 1995: 102).

For Kabeer (2003: 171) empowerment refers to:

*'... the processes by which those who have been denied the ability to make choices acquire such an ability. In other words, empowerment entails a process of change. People who exercise a great deal of choice in their lives may be very powerful, but they are not empowered because they were never disempowered in the first place.'*

The choices implied in this definition are strategic ones as opposed to the practical needs and choices. Strategic choices are considered as the one critical for people to live the lives they want such as choice of livelihood, whether and who to marry, whether to have children (Kabeer 2003: 173; Kabeer 1999: 437). Further, she argue that the ability to exercise strategic choice is made up of three interrelated and indivisible elements; resources, agency and achievements Resources are identified as material, human and social including possible future claims and expectations as well as actual allocations. The concern is access to and allocation of such resources mostly reflects the rules and norms, which govern distribution and exchange in different institutional areas. Agency is the ability to define one's goals and act upon them. It involves an individual's sense of agency or power within as well as observable action. Agency is usually reflected in decision making though, it can also involve bargaining and negotiation, deception and manipulation, subversion and resistance.

Resources and agency, the two together make up people's capabilities, a critical potential for living the lives they want. Thus, achievement is concerned with the extent of whether this potential is realized or not. It is invariably essential to qualify such outcomes in terms of both the agency exercised and their consequences. For example, taking up waged work would be regarded as evidence of progress in women's empowerment. It is far more likely to be empowering if it contributes to women's sense of independence rather than simply allowing them to survive from day to day (Kabeer 1999: 437).

Mosedale's (2005: 252) definition of women's empowerment is consistent with the above one. As such, women's empowerment is the process, by which women redefine gender roles in ways

that extends their possibilities for being and doing in situations where they have been restricted. This definition typically takes cognizant of the existing unequal gender relationships due to gender bias in the social construct. Consequently, UNFP’s workshop report (2005: 7) opines empowerment is essentially concerned with addressing gender inequality and do-away-with the despised lower status of women in general. Mayoux (2000 cited in CIESIN and UNFP 2005: 7) also prefers to define empowerment as a process of change the of multidimensional and interlinked power constructs. She has laid out a framework that is useful for developing strategies for women’s empowerment as presented in Box 2.3.

**Box 2.3 Framework for Women’s Empowerment in Different Spheres of Life**

|               |                                                                                                                                                                      |
|---------------|----------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Power Within: | – enabling women to articulate their own aspirations and strategies for change.                                                                                      |
| Power To:     | – enabling women to develop the necessary skills and access the necessary resources to achieve their aspirations.                                                    |
| Power With:   | – enabling women to examine and articulate their collective interests, to organize to achieve them and to link with other women’s and men’s organizations for change |
| Power Over:   | – changing the underlying inequalities in power and resources that constrain women’s aspirations and their ability to achieve them.                                  |

*Source:* Mayoux (2000): Women’s Economic Empowerment

Similarly, Rowland (1995: 105) conceive that empowerment must involve undoing negative social constructions, so that the people affected come to see themselves as having the capacity and the right to act and have influence. Accordingly, she has developed a model of women’s empowerment with three dimensions; personal, close relationships and collective. She further elaborates the model as follows.

- Personal: where empowerment is about developing a sense of self and individual confidence and capacity, and undoing the effects of internalized oppression
- Close relationships: where empowerment is about developing the ability to negotiate and influence the nature of the relationship and decisions made within it

- Collective: where individuals work together to achieve a more extensive impact than each could have had alone. This includes involvement in political structures as well as collective action based on cooperation rather than competition

Insightful comments on this outlook of empowerment as given by Mosedale (2005: 248-249) regard the model useful since it takes account of the context it is intended to be used to identify specific items within each category appropriate to local circumstances.

#### **2.4.2 Economic Empowerment and Development Effectiveness**

The United Nations Development Fund for Women's (UNIFEM cited in APF, 2007: 11) defines economic empowerment as;

*'...having access to and control over the means to make a living on a sustainable and long term basis, and receiving the material benefits of this access and control. It goes beyond short-term goals of increasing women's access to income and looks for longer-term sustainable benefits, not only in terms of changes to laws and policies that constrain women's participation in and benefits from development, but also in terms of power relationships at the household, community and market levels.'*

Economic empowerment of women is not only crucial to the achievement of gender equality but it is also vital in achieving pro-poor economic growth and goals of poverty reduction. In terms of developmental concern, Keller and Mbwewe, (1991 cited in Rowland 1995: 108) define empowerment as a case whereby women acquire the ability to enhance their self-reliance, ensure their rights to make choices and control useful resources to trim down their own subordination.

Incorporating gender and specifically disadvantaged women perspectives in development agenda requires ensuring that their contribution to economic growth and development is captured and economically rewarded. As APF (2007: 18) asserts if women are able to access finances to invest in business ventures, access credit and markets, expand their businesses, diversify their products,



undertake value addition and stabilize their business activities during times of shock, they can make a significant contribution to sustained economic growth and development. Women's economic empowerment, therefore, is central to the achievement of gender equality and the implementation of international commitments that range from the International Declaration on Human Rights to the MDGs. In addition, it possesses an enormous positive spillover effect with important micro and macro implication. For example, in comparison with men, women tend to hold less income for themselves and devote more to their children's human capital such as nutrition, health and education thereby indirectly to their nation's income growth (CIESIN and UNFP 2005: 12-13).

In sum, economic empowerment of women provides incentives to change the patterns of traditional behavior to which a woman is bound as a dependent member of the household. More and more programming has taken an integrated approach, involving other aspects of development into microfinance projects. No one factor alone can lead to women and disadvantaged group empowerment and helping them lift themselves out of poverty. Rather, what is required is a combination of activities in various spheres of life that address the dynamic and relational nature of poverty and integrated approaches that increase women's income and create a positive change in her perception of health and education. Particularly, enhancing women's access and control over productive resources such as economic and income-generating activities, credit, wage employment, land and property rights, is a prerequisite and determinant to effective empowerment (CIESIN and UNFP 2005: 8-9 and APF, 2007). Rowland (1995: 113) further recommends that, if the concept of empowerment is used precisely and deliberately, can help to focus thought, planning, and action in development. However, when its use is careless, deliberately vague, or sloganizing, it risks becoming degraded and valueless.

#### **2.4.3 Framework for Understanding and Measuring Empowerment**

As it is mentioned in the foregoing section, empowerment is concerned with a person's or group's capacity to make effective choices and translate these choices into desired outcomes. In connection with institutional context, Narayan (2006: 5) explains empowerment as the expansion of assets and capabilities of (poor) people to participate in, negotiation with, influence, control,



and hold accountable institutions that affect their lives. Such assets and capabilities are chiefly influenced by four sets of factors: institutional climate and social and political structures as sub-components of opportunity structure and individual and collective assets and capabilities as sub-components of agency.

### *i. Agency*

As highlighted earlier, agency encompasses both observable action in the exercise of choice in such areas like decision-making, protest, bargaining and negotiation as well as the meaning, motivation and purpose that individuals bring to their actions, their sense of agency. Agency is further segmented in to two: individual and collective agency.

- *Individual assets and capabilities*: A range of assets and capabilities are required to increase the wellbeing, security, and self-confidence poor people to effectively negotiate with those more powerful. As such assets are identified as important to enhance and increase the availability of choices. Among many, assets include material, both physical and financial such as land, housing, livestock, and savings. As Narayan (2006; 10) asserts deprivation of the poor and marginalized from access to physical and financial assets severely hamper their capacity to negotiate fair deals and increases their vulnerability. Capabilities, on the other hand, are inherent in individuals and allow the use of assets in different ways to enhance wellbeing. Human capabilities include good health, education, and production or other life-enhancing skills.

- *Collective assets and capabilities*: As the World Bank study indicates due to voicelessness and powerlessness, poor people are often incapable to take advantage of opportunities to invest in their assets or exercise their individual rights (Narayan, 2006: 24-26). For poor people, the capacity to organize and mobilize to solve problems is a critical collective capability that helps them overcome problems of limited resources and marginalization in society. Social capital, the norms and networks that enable collective action, allows poor people to increase their access to resources and economic opportunities, obtain basic services, and participate in local governance.

### *ii. Opportunity structure*

Institutional reform to support empowerment of poor people means changing the relationship between the state and poor people and their organizations. It focuses on investing in poor people's assets and capabilities, both individual capabilities and the collective capacity to organize, to enable them to participate effectively in society and to interact with their governments, so as to strengthen the demand side of governance. State reform, whether at the national, state, or local government level, must focus on laws, rules, institutional mechanisms, values, and behavior that support the four elements of empowerment. Changes in formal rules and regulations must be connected to efforts to enable poor people and other citizens to interact effectively with their governments and monitor governance. The four key elements of opportunity structure are presented as follows.

- *Access to information.* Information is power. Informed citizens are better equipped to take advantage of opportunities, access services, exercise their rights, negotiate effectively, and hold state and non-state actors accountable. Without information that is relevant, timely, and presented in forms that can be understood, it is impossible for poor people to take effective action. Critical areas where information is most important include state and private sector performance, financial services and markets, and rules and rights regarding basic services. Information and communication technologies often play a pivotal role in broadening access to information (Narayan, 2006: 24-26).

- *Inclusion/participation.* Opportunities for poor people and other excluded groups to participate in decision-making are critical to ensure that use of limited public resources builds on local knowledge and priorities, and brings about commitment to change. However, sustaining inclusion and informed participation usually requires changing the rules so as to create space for people to debate issues and participate in local and national priority setting, budget formation, and delivery of basic services (Narayan, 2006: 24-26).

- *Accountability.* State officials, public employees, and private actors must be held answerable for their policies, actions, and use of funds. Government agencies, both administrative and political, and firms must have horizontal or internal accountability mechanisms, and must also be accountable to their citizens and clients for their performance (Narayan, 2006: 24-26).

- *Local organizational capacity.* This refers to the ability of people to work together, organize themselves, and mobilize resources to solve problems of common interest. Poor people's organizations are often informal, as in the case of a group of women who lend each other money. They may also be formal, with or without legal registration, as in the case of farmers' groups or neighborhood clubs. Organized communities are more likely to have their voices heard and their demands met. It is only when groups connect with each other across communities and form networks or associations – eventually becoming large federations with a regional or national presence – that they begin to influence government decision making and gain collective bargaining power with suppliers of raw materials, buyers, and financiers (Narayan, 2006: 24-26).

## **2.5 Framework of Economic Empowerment Interventions: A Comprehensive Policy Perspective**

Chen et al. (2004: 172-175) and Chen (2005: 31-33) suggest that to solve the complicated problems in the informal sector, developing comprehensive policy that takes cognizant of the different dimensions of the informal economy is essential. Accordingly, these critical dimensions include understanding of its component segments and their specific needs and constraints of the informal workforce as a whole, and organizations of informal workers and their lack of recognition and voice. Chen et al. (2004: 175) make clear that for the purpose of poverty reduction, an informed and comprehensive policy approach to gender segmentation in the informal sector needs to take account of the basic premise that addressing informality is an essential pathway to reducing poverty. In addition, it has to give emphasis to the different roles, responsibilities, needs and constraints of men and women in it.

The ILO (2004 cited in Chen et al. 2004: 172-175 ) has proposed four intervention approaches in its international program of '*Decent Work Agenda*' as an overarching policy goals of an informed and comprehensive policy approach to address the issue of gender segmentation in the informal economy.

- *Promote opportunities:* to increase the assets, skills, productivity and competitiveness of the informal workforce both self-employed and wage workers through a mix of service

provision including micro-finance, training, improved technologies and other business development services as well as policy interventions workforce development, incentive packages

- *Secure rights:* to secure the rights of (a) informal wage workers through extending the scope of existing legislation, promoting collective bargaining agreements and/or enforcing labor standards; and (b) the self-employed through enabling equal access to credit and other resources and through equitable policies for formal and informal enterprise development
- *Protect informal workers:* to provide insurance coverage for illness, maternity, disability, old age and death and for property through extending existing schemes and/or developing alternative schemes; and to provide safety nets to 'cushion' informal workers during economic crises or business downturns
- *Build and recognize the 'voice' of informal workers:* to promote the organization of informal workers, especially women's organizations and/or women as leaders in gender-integrated organizations, and their representation in relevant policy-making or rule-setting institutions or in collective bargaining agreements. To promote the opportunities, rights, protection and voice of women in the informal economy, the special problems and constraints of women workers need to be assessed in policy design and the participation of women workers in the planning process needs to be promoted.

In summary, this chapter is endeavoured to the discussion of the theoretical and conceptual frameworks of the thesis. It particularly dwelt on discussion of the terms and concepts as applied to the poverty context, informal sector and the composition of women's in it. In additions, terms of discussions around the gender mainstreaming issues and economic domain of women's empowerment are presented as drawn from various studies and international Journals and Articles. Thus, the chapter has reviewed key issues including gendered poverty, the dynamics and nexus of the informal sector and women and poverty, gender mainstreaming, and economic empowerment. In the subsequent chapter, revision of the terms of discussions presented in this theoretical part is made as it applied to the Ethiopian context.

## **CHAPTER THREE**

### **GENDER AND ECONOMIC EMPOWERMENT INTERVENTIONS: ETHIOPIAN CONTEXT**

In this chapter, discussion of gender issues and economic empowerment interventions as adapted to the Ethiopian context is made. In so, the chapter composed of five sections. The first section is concerned with overview of poverty and the social the social context. The second section is dealt with gender and poverty in Ethiopian case. Further, gender segmentation and the informal employment and women's empowerment interventions and commitments as applied to Ethiopia are presented in the third and fourth sections. Fifthly, issues related with Micro and Small Enterprises in Ethiopia are discussed.

#### **3.1 Poverty and the Social Context**

According to the Household, Income, Consumption and Expenditure (HICE) survey of 2004/05 of the CSA of Ethiopia, absolute poverty as measured by the head count poverty index, declined marginally from 44 to 36 per cent during the period 2000 – 2005. However, the country is still highly engulfed with chronic destitution. Such sluggish pace of poverty reduction is attributed to a number of factors. The Country Analysis of the AfDB (2006: 1) shows, the high level of population growth with 2.4 per cent, high degree of volatility in growth and food insecurity and the slow progress in structural transformation and diversification of sources of growth are some of the factors that made sufficient poverty reduction challenging and unattainable. In addition, the poor in Ethiopia possess very low human capital, which in turn limits their income-earning opportunities.

On the other hand, the findings of the 2004/05 Welfare Monitory Surveys (WMS) of CSA indicate that a positive improvement in non-income poverty situations especially in education, health and water, and sanitation since 1995/06. The adult literacy rate increased from 25.8 per cent to 37.9 per cent between 1995/96 and 2004/05. In the same period, the national gross primary school enrollment ratio increased from 37.4 per cent to 74.2 per cent. Likewise, the

proportion of the rural population with access to clean water and sanitation increased from 27.9 per cent to 36 per cent. The proportion of infants suffering from chronic malnutrition declined from 57 per cent to 47 per cent in 1999/2000 in 2004/05. Despite all these notable achievements, in terms of the World Bank human development indicators of 2006, Ethiopia is amongst the lowest with rank of 169 among the world countries with overall point of 0.34 based on index range of one.

Further consideration of the risk of falling back into poverty implies that about 40 per cent of the population is highly vulnerability to poverty. HICE survey of CSA for 2004/05 reveals particularly the elderly and large families with high dependency ratios are the most vulnerable section of the society. The AfDB (2004: 3) analysis suggests that the situation of rampant vulnerability in the country is the reflection of high frequency of droughts, volatility of staples and coffee price, and disease related risks such as malaria and growing prevalence of HIV/AIDS.

### **3.2 Gender and Poverty in Ethiopia**

Consistent with the global and developing countries scenario discussed in chapter two, scrutiny of poverty and its affect/burden on gender spectrum is essential in Ethiopian case. In such considerations, statistics and many studies indicate that poverty burden is more affecting women as compared to male. As Women Affairs Office of Prime Minister Office (WAO/PMO) (2004: 23) and Hirut and Yoseph (2006: 6) suggest, female and girls disempowered position in the society is a characteristic feature of poverty in Ethiopia. Accordingly, regardless of their contribution and active participation in different sectors, literally women are not equal beneficiaries of developmental outcomes relatively with their male counterpart due to gender bias (MoFED and UN, 2004: 22).

Further, MoFED and UN (2004: 22-23) and HICE survey of CSA (2004/05: 26-28) indicate that poverty in women headed households is quite substantial. In addition, Hirut and Yoseph (2006: 11-12) demonstrate that even women within male headed households could be vulnerable to poverty since women in many parts of the country do not own property or have access to financial resources and are dependent on men-husbands, fathers, brothers and sons for support.



The same analysis imply that in case women participate in income generating activities and if the amount involved is a bigger sum, the power of spending the money is expected to go to the man of the family.

In the BPfA progress report, the WAO/PMO (2004: 4) revealed that women face deprivations such as access to land, credit and other productive resources. They are also vulnerable to longer working days and hours, women specific ill health, low levels of education relative to men, and lack of adequate representation in leadership and decision making positions. Macro-economic indicators of development for the country are consistently low for women. Further, based on gender related development benchmarks developed by UNDP (2003), Ethiopia has earned a total Gender Development Index (GDI) rank of 134 with index value of 0.335 making it one of the least developed countries in terms of gender equality. Table 3.1 below presents gender gap in education, health services and unemployment rate as selected key development indicators based on data of MoFED of Ethiopia in 2006.

**Table 3.1 Gender Disparity in Education, Health Services and Employment, 2005/06**

| No. | Development Indicator                                  | Per cent |
|-----|--------------------------------------------------------|----------|
| 1.  | <i>Education</i>                                       |          |
| a.  | Adult literacy rate (for 2004)                         | 37.9     |
|     | - Male                                                 | 49.9     |
|     | - Female                                               | 26.6     |
| b.  | Primary school (1-8) gross enrollment rate             | 85.8     |
|     | - Male                                                 | 92.9     |
|     | - Female                                               | 78.5     |
| c.  | Secondary school (9-10) gross enrollment rate          | 33.2     |
|     | - Male                                                 | 41.6     |
|     | - Female                                               | 24.5     |
| 2.  | <i>Health</i>                                          |          |
| a.  | Maternal mortality (673 deaths per 100,000 deaths)     | 0.7      |
| b.  | Contraceptive prevalence rate                          | 14.7     |
| c.  | Prevalence of female circumcision                      | 74.3     |
| d.  | Maternal immunization rate (pregnant and non-pregnant) | 73.4     |
| e.  | Antenatal care coverage                                | 50.4     |
| f.  | Postnatal care coverage                                | 15.5     |
| g.  | Percentage of deliveries at health center facilities   | 15.1     |
| h.  | HIV/AIDS prevalence rate among adults (aged 15-49)     | 3.5      |
|     | - Male                                                 | 3.0      |
|     | - Female                                               | 4.0      |
|     | - Rural                                                | 1.9      |
|     | - Urban                                                | 10.5     |
| 3.  | <i>Unemployment Rate</i>                               |          |
| a.  | National                                               | 5.0      |
|     | - Male                                                 | 2.5      |
|     | - Female                                               | 7.8      |
| b.  | Urban                                                  | 20.6     |
|     | - Male                                                 | 13.7     |
|     | - Female                                               | 27.2     |
| c.  | Rural                                                  | 2.6      |
|     | - Male                                                 | 0.9      |
|     | - Female                                               | 4.6      |

Source: MoFED Population and Development Indicators, 2006

As Table 3.1 depicts, adult literacy rate for women is about 26.6 per cent while gross female primary and secondary enrolment ratio is about 78.5 per cent and 24.5 per cent, whilst the same is 92.6 per cent and 41.6 per cent for males. Health sector indicators also reflect the same trend. Further, women are being adversely threatened by HIV/AIDS and traditional ill practices. It is estimated that 1.9 million people are living with HIV/AIDS and out of this 1.1 million are

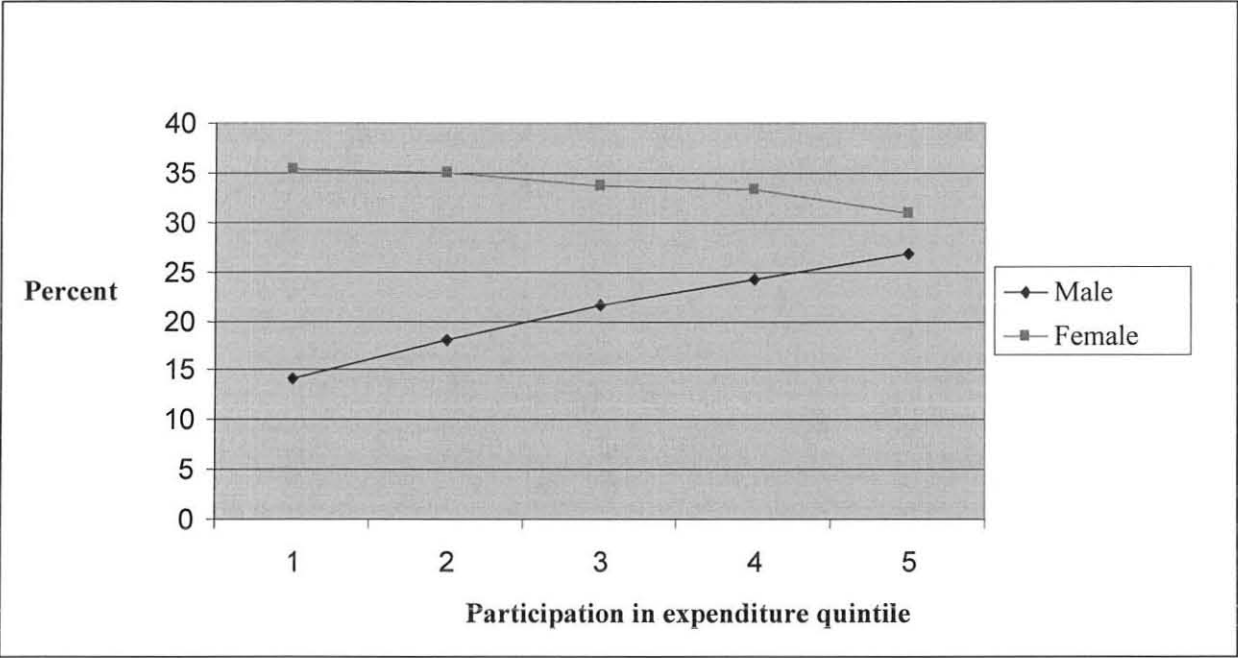
women. According to 1999/00 and 2004/05 WMSs, maternal mortality is still high though it has decreased from 871 deaths in 1999/00 to 673 deaths per 100,000 lives. Disparity also exists as reflected in high unemployment rates for women in the country. In general, as Bigsten et al. (2002 cited in MoFED and UN, 2004: 22) suggest gender inequality implies more poverty per se other things remain constant.

### **3.3 Gender Segmentation in Informal Employment**

Women are involved in the informal sector in large numbers. They could either be employed by other people or be self-employed. According to CSA survey in 1996, 64.93 per cent of those engaged in the informal sectors were women. This figure included women who were operators and those who were owners. Many of the women engaged in the informal sector are also in micro and small businesses that require small capital, not demanding sophisticated management and bookkeeping skills. According to Haregewoin and Emebet (2002: 3-4) in Addis Ababa, selling of vegetables and fruits, bakes like enjera and bread, charcoal and firewood, traditional drinks, second hand clothes and shoes, handicrafts, and goods such as sugar and salt are the major trades women were engaged in. However, a little more than half of them were engaged in selling fruits and vegetables with the rationale that this trade requires a very small capital.

Figure 3.1 below indicates gender disaggregated data employment trend obtained from CSA HICE survey for 2004/05 in the informal sector, which is here assumed to comprise those who are self-employed, informal employees for private and households and unpaid family workers. Accordingly, more women than male are engaged in the informal sector and particularly there is high concentration in the first and second expenditure quintiles with low-level expenditure.

**Figure 3.1 Informal Sector Participation Disaggregated by Gender and Expenditure Quintiles**



*Source:* CSA survey on HICE, 2004/5

According to the study of Zewde and Associates (2002: 4-6) and Haregewoin and Emebet (2002: 5), women entrepreneurs engaged in the informal sector encounter a variety of problems. These are absence of sufficient and secure space and location, absence of clearly defined municipal policy resulting in inconsistency of regulations and licensing, poor urban management of street vending, harassment and confiscation of goods by officials especially the police, lack of infrastructure and services and lack of representation and voice in urban planning. However, lack of working capital was identified to be the most serious problem by more than 80 per cent of the respondents.

**3.4 Women’s Empowerment: Policy Interventions and Commitments**

National report on progress of the implementation of the BPfP prepared by the WAO/PMO (2004: 2-6) indicates that the government of Ethiopia is taking various measures in attempt to reduce the prevalent poverty and gender inequality in the country. In line with this, poverty reduction strategies, action plans, legal frameworks, international platforms and commitments are made. In due process of ensuring opportunities and alter women powerlessness which is

generally a result of previously and long held prejudices, the Federal Democratic Republic of Ethiopian (FDRE) Constitution of 1995 entitle both women and men with equal rights. This entitlement of right provides a significant base for other policy and program interventions. In passing, Article 35(5) of the Constitution, beyond the general acknowledgement of the equal rights of women, further asserts that women have the right to full consultation in the formulation of national development policies, the designing, and execution of projects, and particularly in the case of projects affecting the interests of women. Analogous with this, the FDRE Constitution in its preamble has vouchsafed the equality of sexes from the out set and in its specific provision on the rights of women Article 35(3) describes about the bad historical legacy and discrimination against women and enshrined an empowerment scheme:

*'The historical legacy of inequality and discrimination suffered by women in Ethiopia taken into account, women, in order to remedy this legacy, are entitled to affirmative measures. The purpose of such measures shall be to provide special attention to women so as to 'enable them to compete and participate' on the basis of equality with men in political, social, and economic life as well as in public and private institutions. (Emphasis supplied)'*

The empowerment of women is seen as creating entitlements to participation and holdings, which were historically reserved for the male section of the populace. As per FDRE constitution of Article, 35(7), Women shall have a right to equality in employment, promotion, pay, and the transfer of pension entitlements. Very important in this connection as relating to the notion of empowerment described in the constitution is what is enshrined in Article 35(6) of the constitution as:

*'Women have the right to acquire, administer, control, and use and transfer property. In particular, they have equal rights with men with respect to use, transfer, administration, and control of land. They shall also enjoy equal treatment in the inheritance of property.'*

In addition to the aforementioned provisions, other attempts are made for the advancement of women such as on affirmative action provision for higher education, employment and promotion is worth mentioning (WAO/PMO 2004: 7). Ethiopia has also been involved in different international caucuses. The Fourth World Conference on Women, where the adoption of the BPfA was realized among 189 governments in 1995 is a prominent example. The BPfA called committed countries for the mainstreaming of a gender perspective in the design, implementation and monitoring of all policies and programs in consultation with women's group and other stakeholder for its implementation.

As its commitment to gender equality and equity, Ethiopia is also a signatory of global agreements on women rights such as Convention on Elimination of All Forms of Discrimination Against Women (CEDAW) which guarantees women equal right and protection from discrimination. Further, Ethiopia has ratified major international conventions including Convention of Civil and Political Rights, Convention on Economic and Social and Cultural Rights, the Child Right Convention that specify a salient remark for women welfare. Ethiopia is also one of the countries that embraced the principles of the MDGs at the millennium declaration. The Constitution of Ethiopia has also made the provisions of this convention an integral part of the law of the land. It further ensures that all fundamental rights granted are to be interpreted in conformity with the principles of the signed conventions and declarations (FDRE Constitution 1995, Article 13 (2)).

Apart from being a signatory of major conventions that protects women from discrimination and other, the Ethiopian Government has also issued a National Policy on Ethiopian Women (NPEW) in 1993, which has the following objectives:

- Facilitating conditions conducive to the speeding of equality between men and women so that women can participate in political, social and economic life of their country on equal terms with men and ensuring that their right to own property as well as their other human rights are respected and that they are not excluded from the enjoyment of their fruits of their labor or from performing public functions and being decision makers;
- Facilitating the necessary conditions whereby rural women can have access to basic social services and to ways and means of lightening their work load; and



- Eliminating step by step, prejudices as well as customary and other practices that are based on the idea of male supremacy and enabling women to hold public office and to participate in the decision making process at all levels.

As part of the effort of addressing gender issues, gender and development is incorporated as one of cross cutting issue in the poverty reduction strategy paper of Ethiopia. In addition, the establishment of a Women's Affairs Office at the Prime Minister's Office, regional bureaus, district and local level offices are the prominent ones. However, most of the problems with the existing laws and regulations relate to their practical implementation. The absence of implementing guidelines, some traditional or cultural attitudes to women, and various gender-neutral legal provisions are factors, which may damage the effectiveness of certain laws. In general, some measures have already been taken to ensure gender parity and especially to improve women's empowerment level in different spheres of their life though; the measures seem very general (World Bank 2000; Meron 2006).

### **3.5 Promotion of Micro and Small Enterprises (MSEs) in Ethiopia:**

#### **Policy and Regulatory Frameworks**

A study conducted by Zewde and Associates (2002: 6) on Women Entrepreneurs in Ethiopia asserts that appropriate socio-economic situations are keen to micro and small enterprises. In saying:

*'The existence of well developed physical and institutional infrastructures such as roads, telephones, skilled labor or human capital is an important variable, which affects entrepreneurship in developing countries like Ethiopia. Conversely, the non-existence of these infrastructures affects the incidence of poverty. Poverty and low levels of education are probably the most powerful determinants of the level of unemployment and the type of enterprises that Ethiopian women engage in.'*

As pointed out in the previous section and as a study by Zewde and Associates (2002: 7) comments, policy makers in Ethiopia and elsewhere often do not adequately recognize that changes in socio-economic, political and other macro-level enabling environments affect women and men in different ways. There is a tendency to ignore the fact that women and men play different roles, have different needs and face different constraints in responding to economic policy changes and to changes in incentive mechanisms. As a result, even if some important measures are being undertaken to stimulate economic growth and reduce poverty in the country, there are no specific practical measures to ensure that women can partake in that planned growth. Some of these government actions relevant to encouraging micro enterprises and women entrepreneurship as cited in Zewde and Associates (2002: 7 - 8) include:

- reducing both the lending interest rates and interest on savings deposits
- developing a legal framework for the establishment of micro-finance institutions (Proclamation No. 40/96)
- planning the 'National Micro and Small Enterprises Development and Promotion Strategy'
- simplifying the licensing procedures for enterprises
- enactment of laws on establishing capital goods leasing companies which provide an alternative option for access to credit
- formulation of a new labor law
- the issuance of Proclamation No. 33/98 to provide for the establishment of the Federal Micro and Small Enterprises Development Agency (FeMSEDA)

A legal and regulatory framework that creates conducive environment is crucial for the promotion and growth of micro and small enterprises in general and women entrepreneurs in particular. Of the specific measure taken to guide and support the growth and development and thereby promotion of the MSEs in general is the provision of National Micro and Small Enterprises Development Strategy of Ethiopia. Zewde and Associates (2002: 10) imply this strategy has included salient tenets on advancement of women such as the promotion of formation, and the expansion of businesses owned by women. Conversely, as Hirut and Yoseph (2004: 17) suggest, nonetheless of the efforts to create conducive environment for promoting

women's entrepreneurship, the measures taken seems very general and do not focus on the specific problems and challenges facing women entrepreneurs.

### 3.5.1 Financial Support System Frameworks

A comprehensive discussion of Zewde and Associates (2002: 11) categorize sources of finance for MSEs sectors in Ethiopia into traditional/informal, quasi-credit proffered by NGOs and government projects, and formal institutions such as micro-finance and conventional banks. The informal system involves entities that operate outside the domain of the National Bank of Ethiopia. This sector includes the commercial moneylenders and the traditional system of forced savings '*Ekub*<sup>3</sup>' through which people raise capital to invest in simple businesses. In addition, as Dejene (1993 cited in Zewde and Associates 2002: 12) sets out, relatives and friends are also the other traditional sources of finance for MSEs, which account for 78 per cent of agricultural credit in Ethiopia. The main problem with system is its limited ability to produce long-term finance or substantial loans for investment and the exorbitant interest rate charged in case of commercial moneylenders or the so-called '*Arata Abedari*<sup>4</sup>'.

Quasi credit system involves community based savings and credit co-operatives, and their major beneficiaries were poor women in both rural and urban areas of the country. A limited outreach in terms of clients and area coverage is the main setback of this financial support system. The other sources of finance and credit in Ethiopia are the formal sources. Among these, conventional commercial banks owned and operated by government and private sector are the prominent ones. Due to so many barriers related to both the banks and MSEs, conventional banks in Ethiopia are happened to be incompatible on financing MSEs. Limited capacity of the banking sector with limited networks, collateral requirements and the nature of MSEs that is considered high risk for commercial lending as they lack adequate information are some of the barriers in this form of financing. Further, Tsehay (1998 cited in Zewde and Associates 2002: 10) indicates that the lending policies and procedures of these banks do not appear to make gender differentiations among their borrowers.

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<sup>3</sup> Ekub is a communal type of saving arrangement whereby people raise capital for their business.

<sup>4</sup> Arata Abedari is the term for a traditional moneylender who extends credit at exorbitant interest rates.

The other prominent categories of formal financial sources are micro-finance institutions. According to Haregewoin and Emebet (2004: 6) and Zewde and Associates (2002: 12) micro-financing activities in Ethiopia were initiated and supported by National/International NGOs and government projects and have grown more following the issuance of Proclamation No. 40/96 that institutionalized the business of micro-finance. The objective of almost all of the micro-finance institutions in Ethiopia is poverty reduction. The credit delivery modality of all the MFIs is group-based, thereby waiving the usual requirement for collateral in fixed asset form. Furthermore, the group-based credit delivery modality does not fit the requirements of MSEs that want to take individual loans based on particular business needs, either as working capital or as a medium-term investment loan.

Comparably, Mohammed (1998 cited in Zewde and Associates 2002: 10) studied the existence of women entrepreneurs who do not have access to any sort of institutional credit or other support service as a result of collateral requirements of formal banks and the loan provided by MFIs is small and inappropriate for further expansion of their business. Accordingly, there is a clear need to bridge this gap with a dynamic, fresh approach to finance provision for this segment of women entrepreneurs. This is particularly the case in most of women entrepreneurs engage in the informal sector. Despite of its shortcomings, according to the assessment done by Zenebework et al. (cited in Haregewoin and Emebet, 2004: 7) micro-financing schemes have improved the lives of many women.

### **3.5.2 Business Development Services (BDS)**

As empirical studies suggest, assisting the development of the micro and small enterprise sector requires addressing both the financial as well as non-financial service needs of the sector. Zewde and Associates (2002: 15) convey that business development services as a wide range of services used by entrepreneurs to help them manage and strengthen the capabilities of their businesses. Accordingly, business development services include the following seven major categories: market access, input supply, technology and product development, training and technical assistance, infrastructure, policy or advocacy, and alternative financing mechanisms. In order to

bring about adequate impact, these services have to be tailored to the needs of individual entrepreneurs and delivered by BDS providers in a business-like manner. In other words, BDS providers should develop transactional relationships with MSE clients based on business rather than charity, and develop a sound understanding of the needs of their clients as part of their business strategy.

Government and donors mainly support business development services on a limited scale, as do private sector actors. Almost all of the business development services are fully subsidized and offer free of charge services to MSEs. The government is involved as the main BDS provider to MSEs. However, there are also local and international NGOs, donor-supported programs, private sector organizations and informal commercial BDS providers that are engaged in the provision of services to MSEs. Table 3.2 below provides the summary profile of major government institutions as identified by Zewde and Associates (2002: 15) that provide BDS and financial support to MSEs in Ethiopia.

**Table 3.2 Profile of Financial and Non-Financial (BDS) Service Providers in Ethiopia**

| <b>Institution/Organization</b>                                     | <b>Major Objectives of the Organization</b>                                                                                          | <b>Types of Business Development Services</b>                                                                                                                                                                                                                                                                                                                                                                                |
|---------------------------------------------------------------------|--------------------------------------------------------------------------------------------------------------------------------------|------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------------|
| Federal Micro and Small Enterprise Development Agency (FeMSEDA)     | Support regional MSE development agencies                                                                                            | -Focuses on the training of trainers, dissemination of developed prototypes, information and consultation, facilitation of services, marketing and maintaining technological databases to be used by regional MSE development agencies and other concerned institutions<br>-Training and marketing services to potential and existing MSE operators<br>-Organize MSE product exhibitions at national and local trade fairs   |
| Regional Micro and Small Enterprises Development Agencies (ReMSEDA) | Co-ordinate support services for the implementation of the Regional MSE Development Strategies                                       | -Business expansion services to MSEs at regional, zonal and local levels such as human resource development, information and consultation, and technical and marketing services<br>-Neither FeMSEDA nor the ReMSEDA have specifically focused programs or specialized services for women entrepreneurs                                                                                                                       |
| Trade, Industry and Tourism Bureaus                                 | mandated to promote trade and industry in the respective regions and provision of business development services to MSEs              | -Provide services on business training, based on the ILO training packages, and also deliver some marketing services with regard to trade fair organization and market price information                                                                                                                                                                                                                                     |
| Ministry of Education and the Ministry of Labor and Social Affairs  | involved in providing training services that concentrate on developing vocational and technical skills and last for up to ten months | -The training areas include: metal and woodwork, mechanics, electronics, leather manufacturing, drafting and surveying, building construction and handicrafts                                                                                                                                                                                                                                                                |
| The Women's Affairs Departments                                     | support women in various sectors of the economy                                                                                      | -Facilitate entrepreneurship training for women entrepreneurs and in supporting the establishment of a number of the regional women entrepreneurs' associations<br>-Involved in creating access to various types of training for women entrepreneurs; forming associations of women entrepreneurs in five regional states; and organizing various fora where pertinent issues affecting women entrepreneurs may be discussed |
| The Women's Affairs Co-coordinating Department                      | responsible for the socio-economic conditions of women at the central level                                                          | -Vocational training program for women (including young girls who have dropped out of school) which helps provide employment in areas such as fuel wood collecting and pottery                                                                                                                                                                                                                                               |
| Women Development Fund                                              | The fund's overall aim is to enhance women's participation in development by mobilizing women at the grassroots level                | -Has two main components: a grassroots initiative fund and an institutional strengthening program                                                                                                                                                                                                                                                                                                                            |

Source: Adopted from Zewde and Associates (2002): Women Entrepreneurs in Ethiopia and own summary

In general, this chapter has tried to present the national socio-economic profiles and the prevalence of poverty. Furthermore, key governmental interventions that premeditated to ensure women's empowerment are considered as much as possible. Some important legal and regulatory frameworks that relate with women's empowerment are also dealt with. Besides, the status of support environment for enterprise development is meditated on. Taking these frameworks of interventions as a spur, the next chapter is ensued with presentation and discussion of data collected from the study site.



## **CHAPTER FOUR**

### **ANALYSIS AND INTERPRETATION OF DATA**

This chapter progresses to the discussion of gender mainstreaming in local economic development planning and appraisal of the overall achievements realized to date. Accordingly, the chapter is organized into six sections. The first section deals with a brief description of the study area from historical, social, and economic aspects. The evaluation of human capital development status and local program frameworks that promote favorable economic opportunity is made in the second and third sections. Furthermore, an examination of the situations of informal sector's women entrepreneurs is dealt in the fourth section. The fifth section discusses issues related with local government efforts to support the women entrepreneurs. The constraints to self-employed women entrepreneurs are discussed in the last section.

#### **4.1 Description of the Study Site**

Jimma is one of the largest towns in the southwestern part of Ethiopia and found in the Oromia Region of Jimma Zone. This town has a latitude and longitude of 7°40'N, 36°50'E respectively. According to information obtained from local elders, Jimma town is established 178 years back as a commercial center where traders from different places and countries such as Tanzania and Kenya were trading spices and ivory at the market place called 'Hirmata.' Originally named 'Hirmata,' the town owed its importance in the 19th century to being located on the caravan route between Shewa and the Kingdom of Kaffa, as well as being only six miles from the palace of the king of Jimma. The Italian colonialists was developed the present town on the Awetu River in the 1930s. Currently, the town is home to a museum, Jimma University, several markets, airport, and some buildings survived from the time of the Jimma Kingdom, including the Palace of Abba Jiffar.

#### **4.1.1 The Social Context**

The CSA national census of 1994 shows that Jimma town had a population of 88,867 people. Based on figures from the Office of Finance and Economic Development (OoFED) of the town, the Special Zone of Jimma town has an estimated total population of 174,446 of whom 85,680 are females and 88,766 are males in the year 2007/08. In the locality, there are 34,889 estimated households in 2007/08. According to the same source of information, under 5 years child population constitutes 16.5 per cent and there are also 23.3 per cent women population in productive age (15 – 49 years). In addition, the rate of surviving infants under 1 year age is 91.9 per cent.

#### **4.1.2 The Economic Context**

According to Trade and Industry Office (TIO) of the town, there are 1,641 formally licensed private establishments engaged in different types of business activities with a total start up capital of Birr 40,692,903.00. Among the major business activities, retail business constitutes the predominant share of 60.1 per cent of the total establishments followed by service sector with 32.8 per cent. Accordingly, low level of engagement is exhibited in the remaining wholesale and industrial activities whose share is only 4.1 per cent and 3.0 per cent respectively. The same trend is also maintained with regard to start up capital except, the highest share goes to service sector followed by retail business each having 60.2 per cent and 17.6 per cent of the total registered capital respectively. The remaining sectors constitute 11.6 per cent for wholesale and 10.6 per cent for industrial engagements.

The other economic sector in the town is urban agriculture in which significant share of the population is engaged in. As the data obtained from OoFED of Jimma town indicate, the major urban agricultural activities in the town include livestock, poultry, vegetables and fruits cultivation, beef farming, planting coffee, and beekeeping. Consequently, estimate of the office shows that about 30.4 per cent or 10,600 households are depend on urban agricultural activities. The 2006/07 report of the Urban Agricultural Development Office of Jimma town indicates there are 29,900 livestock in the town. The particular challenge of this sector is no single

agricultural development agent is assigned and only one veterinary clinic is made available in the town, which consists of 13 Kebeles.

#### **4.2 Synopsis of Gender and Human Capital Development Progress**

As development literatures indicate, human capital is keen to sustainable development and poverty reduction. In the discussion of methodological measurement of empowerment, Narayan (2006: 12–13) confirmed the prominent role of human capital in enhancing economic empowerment and development effectiveness. Low human capital tends to show high poverty prevalence. Studies are explaining the high poverty situations of developing countries by low level of human development. Easterly (2005: 8) attributes poverty in Africa to the low human capital level and infrastructure.

As related to the theme of this study, consideration of the gender perspectives in such critical issue is indisputable. Specifically, in poor countries like Ethiopia such action is not a matter of choice. In Ethiopia, the joint analysis of MoFED and UN (2004: 23) emphasize that gender disparity has an effect of perpetuating poverty and inhibiting development effectiveness. Meron (2006: 9) also wrote that a one per cent improvement in GER contributes about 0.1 per cent to per capita GDP growth. In addition, reducing the current gender disparity by 0.5 per cent could lead to an increase of 0.4 per cent in economic growth rate.

In alliance to these arguments, an appraisal of Jimma town’s human capital and the social welfare context is made from the prospect of gender mainstreaming and participation based on the data obtained from OoFED of Jimma Town Administration for the period of 2004/05, 2005/06 and 2006/07. To this end, some selected indicators for which data is available are scrutinized. Therefore, the major components of human capital development and gender welfare indicators are presented in the next subsections.

### 4.2.1 Gender and Education

Stated in the second chapter of this study, gender sensitive education has been identified as prominent factor that shapes the landscape of the individual’s empowerment level and advancement of the society, at large. In line with this, Kabeer (2002: 176) suggests two possibilities in the way education is associated with empowerment. Accordingly, one line of argument conceives that education invariably enhances individual and collective empowerment, if administered in a way that ensures equal participation of both female and male, hence if it is gender sensitive. The second and the downside occur when educational policy and administration fails to consider gender issues and tends to reflect gender prejudice or bias within the society. Thus, such educational program is more likely to encroach with the individual and collective empowerment apart from sustaining gender disparity.

In any case, gender-conscious educational program will certainly create a better level of empowerment situations and economic opportunities, so it is for educated women. Thus, an educated woman leads a better life. In discussing the link between education and reproductive health, the UNDP (2003, cited in CIESIN and UNPF, 2005: 12) indicated that educated girl marries later. In turn, this leads to positive effects on household as having fewer and more evenly spaced children, improved access to medical care, better care and nutrition for self and children, and increases probability of children’s survival. Further social benefits include reduction in the overall fertility and demographic transition and improvement in children’s learning and education. In contrast with the forgoing valid arguments, closing gender disparity at all level of educational levels invariably determinant concern. Table 4.1 below summarizes and presents the status of Jimma town and henceforth, evaluation of the effort of the local administration<sup>5</sup> in enhancing gender participation in educational sector.

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<sup>5</sup> Interchangeably used with Jimma Town Administration and local government, throughout this paper

**Table 4.1 Gender Disaggregated Educational Enrollment, Jimma Town**

| Year    | Educational Level             | Enrollment                                     |        | Total No.<br>of Students | Gross<br>Enrollment | Male:<br>Female |
|---------|-------------------------------|------------------------------------------------|--------|--------------------------|---------------------|-----------------|
|         |                               | Male                                           | Female |                          |                     |                 |
| 2005/06 | Primary school (1-8 class)    | 11,208                                         | 12,072 | 23,280                   | 77.50 %             | 1 : 1.08        |
|         | Secondary school (9-10 class) | 3,463                                          | 3,386  | 6,849                    | 94.40 %             | 1.02 : 1        |
|         | Total Educational Expenditure | Amount (in birr)                               |        |                          | 11,546,128.75       |                 |
|         |                               | Percentage of Total Expenditure<br>of the Town |        |                          |                     | 72.66 %         |
| 2006/07 | Primary School (1-8 class)    | 11,119                                         | 12,055 | 23,174                   | 82.02 %             | 1 : 1.08        |
|         | Secondary School (9-10 class) | 3,830                                          | 3,544  | 7,364                    | 95.50 %             | 1.08 : 1        |
|         | Total Educational Expenditure | Amount (in birr)                               |        |                          | 13,443,428.85       |                 |
|         |                               | Percentage of Total Expenditure<br>of the Town |        |                          |                     | 71.25 %         |

Source: OFED, Education Office Performance Report and Own Computations, 2006/07

As Table 4.1 above shows, a remarkable and exemplary achievement is obtained in bringing gender disparity in the educational enrollment rates down to zero. The enrollment rate of female students at primary education level is found even more than that of male students, which was 1:1.08 or nearly 52 per cent for 2005/06 and 2006/07. Keeping other factors constant gender equality in educational enrollment signifies that the educational capacity development programs of the local government is successful and encouraging.<sup>6</sup> In further approach, the huge proportion of the overall town’s budget allocated to this sector in the past years can significantly explain this achievement in education sector, though it needs analysis for verification. Considering the past three years, educational expenditure as percentage of the total budget of the town’s administration was 82.34 per cent, 72.66 per cent, and 71.25 per cent for 2004/05, 2005/06, and 2006/07 respectively.

In other dimensions, some promising developments have been observed in relation to making the educational environment more gender sensitive. To note some of these measures, firstly with the coordinated effort of WAO and Education and Capacity Building Office of the town, it is decided to reserve the Vice Principal position for female schoolteachers, whereas the Chief

<sup>6</sup> Other factors may include quality of education, dropout and repetition rates, etc

Principal is assigned solely based on the performance of the incumbent irrespective of sex in which case women have equal opportunity of participation.

Secondly, women educational forum clubs are established in all primary and secondary schools to encourage and reward female students who attain higher educational achievements and thereby motivate and inspire other students for the same. Last but not the least, the long-held traditional belief that undermines and prohibits female students from leading ‘*Flag Ceremony*’ has eliminated. Currently, equal participation of both female and male students is required for this ceremony. To sum up, equal enrollment of females in education, grants equal access and participation to whatever resource allocated for the development of this social service.

**4.2.2 Gender and Healthcare Services**

The other important indicator of human capital is the society’s access to health services. Following the same routine of argument, women have been vulnerable sections of the society especially concerning sexual and reproductive health. Therefore, guaranteeing women’s sexual and reproductive health services is central to enable them to enhance their capabilities and take advantage of economic opportunities. Poor health is one of the prominent factors that push households into poverty and destitution. In due regard, selected health indicators for Jimma town are presented in the Table 4.2 below as related to reproductive health condition.

**Table 4.2 Availability of Reproductive Health Care Services in Jimma Town, 2006/07**

| Health Welfare Indicators                                          | Baseline |
|--------------------------------------------------------------------|----------|
| Number of health centers providing long term contraceptive methods | 1        |
| Number of new and repeated family planning acceptors               | 38,117   |
| Total estimated number of pregnancies/births                       | 6507     |
| Number of pregnant women who attended antenatal care (3024/6507)   | 3024     |
| Number of deliveries attended by a skilled birth attendant         | 1300     |
| Number of women who received postnatal care                        | 820      |
| Health coverage rate                                               | 37 %     |
| Health expenditure (for 2006/07) (in birr for 1,088,996.45)        | 5.77 %   |

*Source:* OoFED, District Health Development Plan, 2008

As the Table 4.2 above reveals, unlike the remarkable progress in the education service, the effort of the town's administration in ensuring the availability of reproductive health care services is minimal. There is poor maternal health care service observed as only 1300 deliveries out of the expected 6507 births attended by skilled birth attendant under the jurisdiction of the town's administration. There is single healthcare center providing long-term contraceptive methods. Antenatal and postnatal service attendance rate is also low. In addition, the budget allocated for health service in the town is as low as 5.77 per cent of the total local government's expenditure in 2006/07. In the same fashion, the proportion of budget allocated to this sector was 6.75 per cent and 6.06 per cent for 2004/05 and 2005/06 respectively. In general, the effort of the local government on health care service is not significant. Especially, in enhancing maternal and reproductive health services is as low as considered in the Table 4.2 above. Thus taking the gender perspective in health program is an area in which much progress is to be made.

#### **4.3 Local Government Offices for Women's Economic Empowerment**

In social and economic development arena, there are three main actors involved – the state or the government, the private sector, and civic organizations. Each of these development actors assume inseparable and indispensable role and should operate in partnership to galvanize and gauge physical and human resources to make a noteworthy move forward. So much so, empowerment of the disadvantaged section of the society is directly concerned with development, a due consideration should be given for these three actors to unlock their potential to undo the existing unfair socio-economic construct.

From the outset, this research endeavor quite recognizes the vital role of both civic organizations and private sector in supporting the effort of women's economic empowerment as it practically is. However, the scope of this study is limited to the assessment of the local government's effort on this regard. Therefore, in this and forthcoming sections key local government offices and their program/project profiles are considered and put under scrutiny apropos their responsibility and accountability for mainstreaming gender into local government's economic and social services. Furthermore, the effectiveness of the local



government in implementing intervention programs that aim at ensuring economic empowerment of women and the extent of the reach of such programs to the informal sector women entrepreneurs is assessed.

#### **4.3.1 The Office of Women's Affairs**

Corresponding to the national policy frameworks and arrangements to address gender issues especially improving the lower status of women's in the society, the government of Ethiopia has established various regional and local offices at different levels. Accordingly, the WAO of Jimma town is one of the local government offices under the town's administration, which is concerned with reducing and gradually eliminating complex and multi-dimensional challenges and problems that women face in the locality. As per the information obtained from this office, the establishment of the office is justified on the ground of improving the poor living condition and eliminating the persistent gendered poverty that women, who constitute about 51 per cent of the town's total population, are disproportionately ill-with.

More specifically, WAO is aimed at minimizing gender inequality through eliminating harmful traditional practices and conceptions that undermine women, ensuring participation of women in education and training, and encouraging female students. In addition, ensuring women's access to productive resources such as access to credit and saving services, facilitating the formation of women organizations/associations, and enhancing the involvement of women in decision-making are among the salient objectives of the office related to empowerment. In particular, emphasis of enhancing economic empowerment of women, the office has been undertaking various intervention projects and programs. These program measures include;

- promoting women's economic activities through ensuring access to credit, encouragement of women entrepreneurs, facilitation of access to market, and formation of women owned micro enterprises in such areas as poultry, animal husbandry and cultivation of fruits and vegetables
- enhancing increased participation of women in income generating activities through reducing their labor on domestic reproductive chores by providing more efficient equipments and gadgets

- enhancing collective power of women by creating awareness on the importance of forming women organizations in solving their multifaceted problems
- facilitating the formation of women self help and credit and saving associations
- provision of skill development training and arranging educational forums in schools and rewarding female students who able to score high results
- conducting researches to identify the problems of women at community and household level and finding out ways of solving these problems

#### **4.3.2 Office of Trade and Industry**

The other local office of the Special Zone of Jimma town is TIO. This office is in general concerned with the administration of all types of trade and industrial affairs within the town. TIO is further consists of MSED, Trade and Transport, Environment and Urban Agriculture, and License and Registration sections. Related to theme of this study, revision of the programs and aims of the MSED section is important.

The MSED section of TIO is in general concerned with promotion of startup and growth/development of MSEs and consequently creating employment opportunities in the town based on the national MSEs development strategy. To this effect, the section is mainly engaged in provision of services that range from financial support to BDS. As the programs and plans of the section indicate, enterprise support services that include endorsement of entrepreneurs' associations and organizations, administering business development trainings, ensuring the provision of business premises and construction of sheds to business operators who organized into MSEs, ensuring financial support and access to credit, and providing auditing services. These support services are critical to development of enterprises and widening the economic spaces of the society especially to the poor entrepreneurs engaged in the informal sector as the program is premeditated to achieve a remarkable reduction in poverty by ascertaining pro-poor growth.

### 4.3.3 Office of Finance and Economic Development

Consistent with the national and regional finance and economic development institutions, a local level (Zonal, district, and urban areas) OoFED has been established in Jimma town that relatively assume parallel role with. Accordingly, this office is assigned to the task of planning, enhancing and monitoring the overall economic and financial performance of local sectoral offices in the town. As part of District Level Decentralization Program of the Government of Ethiopia, the responsibility of local economic development planning has been devolved to local levels. Thus, this local level office is the central organ responsible to coordinate the effort of various sectoral offices.

In so, the OoFED has particular importance in aggregating and attending the budgetary allocations and performance of all sectoral offices in the town. As government organ accountable for formulating local economic development plan, this office assumes the main responsibility of gender mainstreaming. So much so, this office is responsible in ensuring good and gender sensitive economic governance or engendering budgetary allocations. The existence of such approaches in local developmental concerns undoubtedly will enhance effective economic governance and would ensure high level of all-inclusive economic empowerment and participation.

In sum, the above offices are the chief local offices that are responsible to ensure gender consideration and enhance gender equality in the locality. Furthermore, they are considered activist of women's participation in development and ensuring the access of women to productive resources. Therefore, as stated out earlier to measure and/or evaluate the effectiveness of intervention measures that have been implemented for enhancing the economic domain of empowerment of the informal self-employed women, it demands examination of the current situations of these entrepreneurs. Subsequently, the following sections are committed to the analysis and interpretation of the survey data acquired from the responses of the self-employed women and the result of interview conducted with officials of the aforementioned offices.

4.4 Assessment of Informal Self-Employed Women’s Economic Empowerment

In this section, analysis and interpretation of data collected from the self-employed women and local offices is made from the perspective of women’s economic empowerment. Thus, various issues related with the resource base of the subjects are analyzed thereof.

4.4.1 Profile of the Women Entrepreneurs in the Informal Sector Livelihood

i. Occupations of women entrepreneurs and their domain of operation

As mentioned in the methodology part, in this study is concentrated on four major types of activities/occupation that are highly populated by self-employed women entrepreneurs operating in the informal sector. The economic activities selected include; food, vegetables and fruit selling, tailoring and embroidery, hairdressing and beauty salons, and retail and petty trade (sale of goods including clothes). The other important dimension is the spatial location where the entrepreneurs undertake their activities. Consequently, three basic locations or urban zones are identified: traditional public market centers and commercial centers, non-commercial centers, and street vending and roadside operation areas. Table 4.3 below provides cross-tabulated summary of respondents engaged in the aforementioned occupations and the domain of operation.

Table 4.3 Engagements and Spatial Location of Entrepreneurs

| Activity                   | Frequency and Intra-activity % | Domain of Operation |                |        | Total |
|----------------------------|--------------------------------|---------------------|----------------|--------|-------|
|                            |                                | Commercial Places   | Street Vending | Others |       |
| Food and Vegetable         | Frequency                      | 18                  | 12             | 18     | 48    |
|                            | %                              | 37.5                | 25.0           | 37.5   | 100.0 |
| Dressmaking and Embroidery | Frequency                      | 19                  | 0              | 15     | 34    |
|                            | %                              | 55.9                | 0              | 44.1   | 100.0 |
| Hairdressing               | Frequency                      | 21                  | 0              | 16     | 37    |
|                            | %                              | 56.8                | 0              | 43.2   | 100.0 |
| Petty Trade                | Frequency                      | 16                  | 9              | 14     | 39    |
|                            | %                              | 41.0                | 23.1%          | 35.9   | 100.0 |
| Total                      | Frequency                      | 74                  | 21             | 63     | 158   |
|                            | %                              | 46.8                | 13.3           | 39.9   | 100.0 |

Source: Own Survey on the Informal Self-Employed Women, 2008

The Table 4.3 above gives a clear picture of the survey respondents’ occupational activities and the place or location in which they undertake the stated activities with the respective sample size for each case. Accordingly, among the total participants of the study 30.4 per cent, 21.5 per cent, 23.4 per cent, and 24.7 per cent are food, vegetable and fruit sellers, dressmakers, hairdressers, and petty traders respectively. On the other hand, 46.8 per cent, 13.3 per cent, and 39.9 per cent of these participants operates their business at commercial zones, on the street or roadside areas, and other non-commercial areas respectively.

*ii. Age of Respondents*

Majority of the respondents of the survey are found under the age of 50. Table 4.4 below presents the summary of respondents’ age groups and the respective percentage of respondents in each category. Out of the total 158 respondents considered, 56.4 per cent of them found in between the age of 20 and 35 years, and 26.6 per cent, and 7 per cent of the respondents lies within 36 – 45 and above 46 years age category respectively. Further, those who are under the age of 15 and in between age of 15 and 19 together constitute 10.1 per cent of the respondents.

**Table 4.4 Age of Respondents**

| Age Group    | Frequency | Percent |
|--------------|-----------|---------|
| less than 15 | 1         | 0.6     |
| 15-19        | 15        | 9.5     |
| 20-25        | 63        | 39.9    |
| 26-35        | 26        | 16.5    |
| 36-45        | 42        | 26.6    |
| 46 and above | 11        | 7.0     |
| Total        | 158       | 100.0   |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

The trend in age structure of the informants is consistent with the national level age structure for economically active part of the population. Therefore, the participants are quite relevant for the successful achievement of objectives of this study since pros and cons of any kind of

governmental as well as non-governmental interventions such as economic programs and policies, are more reflected on these section of the population.

*iii. Educational Attainment of Respondents*

The majority of sample women entrepreneurs in the informal self-employment are found relatively more literate. Table 4.5 shows that 82.9 per cent of 158 respondents replied that they are currently attending or had formal education some years back. More specifically, women entrepreneurs who are attended primary education (1-8 class level) constitute 42.4 per cent. Likewise, secondary education attainment in the sample respondents account for 32.0 per cent including those who reported ‘Others’ since 12 (7.6 Per cent) of these respondents explained that they have attended secondary education (High School Complete) in the previous educational policy that used to consider 9-12 class levels as secondary education.

**Table 4.5 Current Educational Attainment of Respondents**

| Educational Level   | Frequency | Percent | Cumulative Percent |
|---------------------|-----------|---------|--------------------|
| No formal education | 27        | 17.1    | 17.1               |
| 1-4 class           | 26        | 16.5    | 33.5               |
| 5-8 class           | 41        | 25.9    | 59.5               |
| 9-10 class          | 37        | 23.4    | 82.9               |
| TVET                | 13        | 8.2     | 91.1               |
| College/University  | 1         | 0.6     | 91.8               |
| Others              | 13        | 8.2     | 100.0              |
| Total               | 158       | 100.0   |                    |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

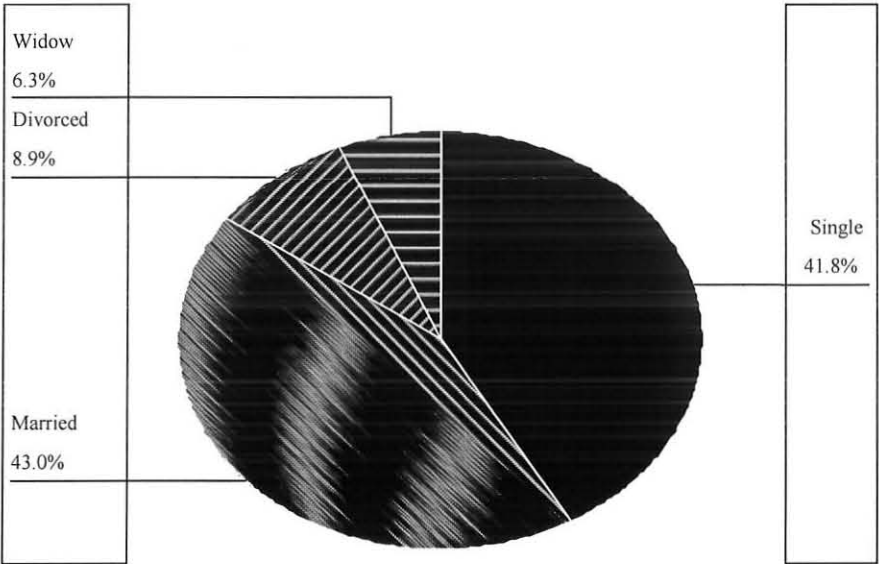
From the sample considered, 17.1 per cent have not received any sort of formal education while 8.2 per cent of the women entrepreneurs have obtained Technical and Vocational Education and Training (TVET). In addition, one informant reported as receiving college education from private educational institute. The above results reflect that relatively educated women are also engaged in the informal sector. In pointing a reason for such trend, the study of ILO in association with the Ministry of Trade and Industry of Ethiopia (2003: 25) setout that young

women are resorting to self-employment as a result of heightened problem of unemployment in the country. In addition, this finding is also consistent with the assertion made by Kedir and McKay (2003: 6) on their paper on Chronic Poverty in Urban Ethiopia, in which case they mentioned that the unemployed in urban Ethiopia are relatively well educated.

*iv. Marital Status*

As per the finding of the survey, the self-employed women in the informal sector livelihoods have an equal likelihood of being married and unmarried. In this survey, nearly equal proportion of respondents reported married and single – 43.0 per cent and 41.8 per cent respectively – as shown in Figure 1 below.

**Figure 1 Marital Status of Respondents**



*Source:* Own Survey on the Informal Self-Employed Women, 2008

The remaining respondents are either widow or separated. Stated in the methodology part of this study, in this case cross-examination of the marital status of respondents reveals important information. Thus, as Table 4.6 below implies, singles are more likely to participate in dressmaking and embroidery, hairdressing and petty trade. Conversely, those who are or had been married tend to engage in food, vegetable and fruit selling. For instance, from the sample



respondents, 39 out of 48 cases observed are or had been married as compared to only 9 women entrepreneurs engaged in food, vegetable and fruit selling.

**Table 4.6 Nexus between Marital Status and Occupation**

| Engagement                      | Single | Others | Total |
|---------------------------------|--------|--------|-------|
| Food and Vegetables             | 9      | 39     | 48    |
| Dressmaking                     | 16     | 18     | 34    |
| Hairdressing                    | 21     | 16     | 37    |
| Petty Trade                     | 20     | 19     | 39    |
| <b>Total</b>                    | 66     | 92     | 158   |
| $X^2 = 15.716 \qquad P = 0.001$ |        |        |       |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

In more clear words, further comparisons among marital status as presented in Table 4.6 above, unmarried women, only 13.6 per cent (9 informants) are earning their livelihood by engaging in food, vegetable and fruit selling as compared to 42.6 per cent, 50.0 per cent, 30.0 per cent among married, separated and widow women respectively. In the remaining activities almost a fair distribution is observed except in the case of hairdressing wherein only 11.8 per cent of all those currently married are engaged in. Further verifications as to whether the given variation between the categories of singles and currently married or once married, a chi-square test is made. Accordingly, there is statistically significant difference between the two groups of respondents with asymptotic significance of 0.001 as give in Table 4.6. Therefore, one possible line of argument for this trend is married women entrepreneurs more likely to extend their reproductive roles in to productive activities owing to their domestic activities.

*v. Length of Periods in the Informal Self-Employment*

As Table 4.7 below shows, most of the entrepreneurs involved in the survey have spent considerably long duration in their respective employment that ranges from one month to more than six years. In particular, 71.1 per cent of the respondents were running business for more than one year.

**Table 4.7 Number of Years Spent in Business**

| Periods           | Frequency | Valid Percent |
|-------------------|-----------|---------------|
| 1- 6 months       | 23        | 15.4          |
| 7 months-1 year   | 20        | 13.4          |
| >1 - 3 years      | 56        | 37.6          |
| >3 - 6 years      | 27        | 18.1          |
| More than 6 years | 23        | 15.4          |
| Total             | 149       | 100.0         |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

The women entrepreneurs that have participated in the survey are particularly relevant group to attain the objectives of the study since most of them have been in their respective engagements for a long period of time. Indisputably, one would ever receive or lest observe as to what forms of support that the local government is providing for entrepreneurs in general and to women in particular. Therefore, the data collected from this group will have insignificant distortion if any, in expressing the real incidences.

In sum, almost all of the sample respondents are 15 and above age category. The majority of them have also attended some years of formal education that range from primary to college education. Further, about the same proportion of married and single entrepreneurs are included in the sample. What makes more relevant to the study is that commonly they have spent more than one year in the business.

**4.4.2 Informal Engagement Earnings and Labor**

This subsection advances to data presentation and discussion concerning the earning of self-employed women in the informal sector and their pattern of time use for both productive and domestic reproductive engagements. Added to this, the subsection also delves into examination of the reasons for resorting to the informal sector and outlines the sense of employment security and availability of alternative occupations elsewhere among the women informal operators.

### *i. Earnings of Women Entrepreneurs in the Informal Sector*

As discussed in the foregoing chapters, theoretical and empirical nexus is noticed among engagements of low returns and being women and working in the informal sector. In an attempt to verify and understand the situation of women entrepreneurs in the informal sector, questions concerning earnings are forwarded to the survey participants. Cognizant of the fact that these entrepreneurs do not keep a systematic book of accounts, daily income is deemed appropriate for the case before hand. Table 4.8 below summarizes the earnings of the respondents in Ethiopian Birr (ETB).

**Table 4.8 Daily Earnings of the Women Entrepreneurs**

| Income Category   | Frequency | Percent | Cumulative Percent |
|-------------------|-----------|---------|--------------------|
| Less than Birr 5  | 28        | 17.7    | 17.7               |
| Birr 5 - 9        | 42        | 26.6    | 44.3               |
| Birr 10-15        | 41        | 25.9    | 70.2               |
| Birr 16-20        | 20        | 12.7    | 82.9               |
| Birr 21-30        | 19        | 12.0    | 94.9               |
| Birr 31-40        | 5         | 3.2     | 98.1               |
| More than Birr 40 | 3         | 1.9     | 100.0              |
| Total             | 158       | 100.0   |                    |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

Given the summary of daily income from the informal sector, which is presented in Table 4.8 above, one can observe that more than two-third (70.2 per cent) of the women entrepreneurs surveyed earn an amount less than Birr 16. More specifically, 17.7 per cent, 26.6 per cent, and 25.9 per cent of the respondents reported daily earnings of less than Birr 5, Birr 5-9, and 10-15 respectively. A few respondents (29.8 per cent) have a daily income of Birr 16 and more.

Based on the UN global measure of absolute poverty line, one who earns less than USD 1 per day is considered poor. Assuming no other sources of income for these respondents, as 128 (81 per cent) of them do, and taking the current approximate exchange rate of USD in terms of ETB which is equivalent to Birr 9.6; 44.3 per cent of the total respondents and 44.5 per cent of



those reported that they do not have other alternative source of income are absolutely poor. Another important aspect to be made clear is the nexus between the informal sector’s earnings and the type of activity. Accordingly, Table 4.9 below portrays that women engaged in food, vegetable and fruit selling relatively earn less than Birr 10 per day than others considered for the survey do.

**Table 4.9 Respondents’ Daily Income Disaggregated by Activities**

| Daily Income (ETB) | Activity                      |             |                               |             | Total                        |
|--------------------|-------------------------------|-------------|-------------------------------|-------------|------------------------------|
|                    | Food and Vegetables           | Dressmaking | Hairdressing                  | Petty Trade |                              |
| Less than Birr 5   | 13                            | 1           | 8                             | 6           | 28                           |
| Birr 5-9           | 16                            | 8           | 5                             | 13          | 42                           |
| Birr 10-15         | 15                            | 16          | 6                             | 4           | 41                           |
| Birr 16-20         | 2                             | 5           | 10                            | 3           | 20                           |
| Birr 21-30         | 2                             | 2           | 6                             | 9           | 19                           |
| Birr 31-40         | 0                             | 1           | 1                             | 3           | 5                            |
| More than Birr 40  | 0                             | 1           | 1                             | 1           | 3                            |
| Total              | 48                            | 34          | 37                            | 39          | 158                          |
|                    | $X^2 = 4.297 \quad P = 0.026$ |             | $X^2 = 9.564 \quad P = 0.144$ |             | $X^2 = 45.475 \quad P=0.000$ |
|                    | $X^2$                         |             | 31.233 $P = 0.002$            |             |                              |

Source: Own Survey on the Informal Self-Employed Women, 2008

As the chi-square test implies, in line with the percentage difference observed, there is statistically significant difference among the total group of entrepreneurs with a significance level of 0.000. In disaggregating, the statistical significance of the response difference between food and vegetable sellers and dressmakers shows variation and it is also significant. In addition, there is no significant difference between hairdressers and petty traders. On the other hand food and vegetable sellers, hairdressers, and petty traders exhibit statistically significant difference.

Accordingly, those engaged in selling cooked food, vegetables and fruits, earn less than the others. Therefore, the earnings of the informal operators are tending to differ from on activity to the other. In general, the distribution of earnings of the women is skewed to the lower categories of daily income. This trend shows that with exception of few, most of the self-

employed entrepreneurs (111 out of 158 informants) obtain less than ETB 16, which is quite a low amount of earning to lead reasonable level of standard of life.

In sum, studies indicate intricate reasons as to why women engage in functions, which generate very low returns. ILO's study by Zewde and Associates (2002: 5) and Stevenson and St-Onge (2005: 10) attribute this trend in Ethiopia to a number of reasons. To mention the major constraints identified by the above studies and which equally reflect the situation of entrepreneurs that are found in the study area informal operators;

- limited market-related skills of women
- the limited time owing to the demands associated with the reproductive roles of women
- working premise difficulties
- insufficient startup capital and lack of working capital
- input material shortages
- lack of access to market and poor marketing practices

## *ii. Time Use on Productive and Domestic Reproductive Engagements*

Hours spent in the business activity do have an important implication on the performance of the business. In this particular case, two set of arguments needs to be considered. Firstly, the more time is devoted in the business activities the more the performance will be. Secondly, even if more time is devoted, the return could be quite unsatisfactory because of other factors that operate in between as identified in the previous section. Especially, women entrepreneurs' informal engagements are more vulnerable to the second case because of the type of activity per se and other constraints, which this study further examines in the coming sections as well.

**Table 4.10 Daily Hours Spend on Business Engagements**

| Hours Spent  | Frequency | Percent | Cumulative Percent |
|--------------|-----------|---------|--------------------|
| Less than 3  | 0         | 0       | 0                  |
| 3-5          | 5         | 3.2     | 3.2                |
| 6-8          | 70        | 44.3    | 47.5               |
| 9-12         | 41        | 25.9    | 73.4               |
| More than 12 | 42        | 26.6    | 100.0              |
| Total        | 158       | 100.0   |                    |

*Source:* Own Survey on the Informal Sector Self-Employed Women, 2008

As summarized in the Table 4.10 above, almost all of the women entrepreneurs (96.8 per cent) with the exception of 3.2 per cent indicate that they are frequently engaged in the business for six and more hours daily. Slightly less than half (44.3 per cent) of the respondents stated spending 6 to 8 hours in their respective business activity. On the other facet, 25.0 per cent of Food and Vegetable Sellers, 5.9 per cent of Dressmakers, 29.7 per cent of Hairdressers, and 43.6 per cent of Petty traders reported that they are frequently engaged for more than 12 hours. The proportion of Dressmakers spending more than 12 hours in the business is low since most of them operate in market places adjacent to others premises whereby they cannot extend their work to evening. As compared to the daily hours spent on the engagement, the daily income is found low. This finding is consistent with what has been implied in the literatures reviewed. Thus, the informal earnings of women are quite diminutive.

The other set of activities that demand the labor of women are domestic reproductive role of family care and accomplishing other household domestic chores. In the study area, as everywhere else in Ethiopia, it is common to observe women and girls bearing disproportionate share of household activities. According to the survey outcome, the self-employed women contacted are no exception. As Table 4.11 below portrays, most of the informal micro entrepreneurs are daily engage in household chores ranging from childcare to fetching firewood. Cooking and cleaning dishes are the most common daily activities of the women.

**Table 4.11 Frequency of Domestic Roles<sup>7</sup>**

| Chores          | Frequency    |       |          |        |         |          |
|-----------------|--------------|-------|----------|--------|---------|----------|
|                 | Not Recently | Daily | Few Days | Weekly | Monthly | Few Mon. |
| Childcare       | 71.5         | 22.8  | 5.7      | 0      | 0       | 0        |
| Laundry         | 0            | 7.6   | 8.9      | 40.5   | 41.1    | 1.9      |
| Food cooking    | 15.2         | 76.4  | 7.6      | 0.6    | 0       | 0        |
| Cleaning dishes | 14.6         | 82.3  | 3.2      | 0      | 0       | 0        |
| Firewood        | 69.6         | 2.5   | 13.3     | 2.5    | 7.6     | 4.4      |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

<sup>7</sup> All figures in the table are given in per cent



Since there are about the same proportion of unmarried and married entrepreneurs in the sample and based on the pattern of giving birth, relatively few respondents replied that childcare chore is what they do frequently. As mentioned in the first subsection of this part, such additional women's labor tend to pose a challenge in carrying out their productive activities without restrictions. In other words, tied to the demands on the reproductive roles the likelihood of time poverty incidence is high among these women. Several informants relayed that it is quite miserable working all the day on their respective business and going back home and being engaged on domestic activities. In connection to this, the informants of the survey were asked about to specify the primary constraints they are facing in relation to running their business. In considerable cases, time poverty is found out to imperil the productive engagements of women entrepreneurs. Consistent with previous studies on women entrepreneurship, this study is also come out with result of 47 informants (29.9 per cent) rating time-poverty or excessive domestic chore as one of the major factor imperiling their activities and eroding their income.

Irrespective to its extent of effectiveness, to minimize the time-poverty incidence in the town some measures have been undertaken. As interview conducted with WAO experts shows, in collaboration with NGOs that operate in the locality a relatively efficient traditional oven made of clay<sup>8</sup> has been offered to the residents of the town with a reasonable price. As further explained, such household gadgets are made not only to save the time that women spend on fulfilling domestic chores especially on cooking food, but also greatly reduces their vulnerability to health hazards arising from their exposure to fire and smoke. Hence, as the key informant from the office relayed, keeping other factors constant, decreasing the time spend on domestic reproductive activities will enable women to more engage on productive undertakings. Furthermore, to satisfy the local demand for this gadget, training has been given to 15 women on how to construct such equipment. In sum, even if such actions are quite essential in meeting practical needs of gender, alternative interventions that attempt to address gender strategic needs are seem to be non-existence.

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<sup>8</sup> Identified by a (brand) name 'Mirt' which literary mean "The Best"



iii. Why in the Informal Sector?

Identification of the drive for joining informal sector and knowledge of the previous situations of informal women entrepreneurs is worth full for the analysis of how and why women invest the bulk of their time and effort in low value-adding economic activities with diminutive returns. In due concern, the women were asked about their reasons of engaging in this sector and their situation prior to their respective engagement presently. The response to the possible alternative reasons of the women's is summarised in the Table 4.12 below.

Table 4.12 Reasons for Self-Employment in the Informal Sector

| Reasons            | Frequency | Percent |
|--------------------|-----------|---------|
| Family Support     | 12        | 7.6     |
| Family Enforcement | 7         | 4.4     |
| Poverty            | 113       | 71.5    |
| Self-Sufficiency   | 134       | 84.8    |
| More Income        | 89        | 56.3    |
| Low Capital        | 21        | 13.3    |
| No Alternatives    | 70        | 44.3    |
| Other Reasons      | 5         | 3.2     |
| Total              | 158       | 100     |

Source: Own Survey on the Informal Self-Employed Women, 2008

In this particular case, most of the respondents singled out more than one alternative reason. Poverty (71.5 per cent), self-sufficiency (84.8 per cent), better income (56.3 per cent), and lack of alternatives (44.3 per cent) are the main reasons that motivate or impel most of the women respondents to seek informal employment, as specified in the last column of Table 4.12. Family support and enforcement as a drive into informal employment is rated by few of the sample respondents with only 7.2 per cent and 4.4 per cent for ‘support’ and ‘enforcement’ of family respectively. Likewise, only 13.3 per cent of the total respondents explained ‘low start-up capital requirement’ of the activity as a basic reason. The remaining 3.2 per cent of total respondents reported other reasons such as need to operate a side-business, opportunity of training accessed, encouragement of friends, and to finance educational expenses. The

implication of this finding is that most of the informal operators are commonly engaged in the sector as a result of complex problem they face in their life. Thus, self-sufficiency and poverty and seek of better income and lack of alternatives are appeared to be the most common drives that impel them to resort to the informal sector.

Furthermore, the self-employed women were also asked about their previous life experience. Accordingly, Table 4.13 indicates, the majority (69.0 per cent) of the women respondents were economically inactive prior to running their current business as either unemployed (28.5 per cent) or student (40.5 per cent). 15.8 per cent of the women had been in some related engagement with the present one, while 7.6 per cent had been employed in government institution. The remaining 7.6 per cent were housewives and informal employee such as waitress and housemaid in private households.

**Table 4.13 Previous Engagement**

| Previous Engagements            | Frequency | Percent | Cumulative Percent |
|---------------------------------|-----------|---------|--------------------|
| Student                         | 64        | 40.5    | 40.5               |
| Unemployed                      | 45        | 28.5    | 69.0               |
| Government Institution          | 12        | 7.6     | 76.6               |
| Related to the Current Activity | 25        | 15.8    | 92.4               |
| Others                          | 12        | 7.6     | 100.0              |
| Total                           | 158       | 100.0   |                    |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

As noted in the educational profile of the survey respondents, the finding portrayed in Table 4.13 support the view that conveys the emerging incident of the unemployed young and students – upon attaining a certain class level or parallel to self-employment – are increasingly engaging in the informal sector. Accordingly, the survey point out that among those reported their previous engagement as a Student, 95.3 per cent of them happened to be below age of 36 and only 4.7 per cent falls within 36 and 45 age category. To sum up, as discussed in the theoretical frameworks, most of the time women entrepreneurs resort to the informal sector impelled by poverty and interrelated factors mentioned in the Table 4.12 above. For instance,

among economically inactive women in the survey prior to their current engagement, 67 per cent of them replied that poverty was their main reason to engage in the sector.

*iv. Perceived Occupational Security and Alternatives*

Table 4.14 below shows the response of sample respondents to the question to what extent they feel security on their present engagement in the informal sector as a sustainable source livelihood. As the finding implies, nearly half (46.8 per cent) of the self-employed women feel secured and high security level on their engagements. The primary reasons frequently forwarded include;

- the engagements are the sources of own and family livelihood irrespective of low income obtained from it
- it is means of sustaining one’s own life
- better than being unemployed
- skill and proficiency developed
- compared to previous work, their present engagement is better
- means of self-sufficiency at the present and hope of future growth
- secured alternative to financing educational expenses and other costs
- enable to support one’s parental income

**Table 4.14 Sense of Security on Informal Self-Employment**

| Response Levels   | Frequency | Per cent |
|-------------------|-----------|----------|
| Highly Secure     | 10        | 6.3      |
| Secure            | 64        | 40.5     |
| Moderate          | 27        | 17.1     |
| Insecure          | 35        | 22.2     |
| Highly Insecurity | 22        | 13.9     |
| Total             | 158       | 100.0    |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

On the other hand, because of a range of factors the remaining 53.2 per cent of the women informants feel that they are less secured in their present employment status. Consequently,

they have insinuated their underlining reasons to feel so. To mention the most frequent factors suggested;

- lack of business premise encroaching on earning ability
- throat-cutting competition and low demand for produce
- insignificant profit and no feasible growth prospects
- high risk of sustaining loss because of perishable nature of goods one dealing with
- old age and deterioration of physical wellness
- Seasonal sale and profit
- engaged only until getting another alternatives

In addition to having secured livelihood engagement, as Alsop and Heinsohn (2005: 18) on the World Bank Policy Research Working Paper suggest, availability of alternative occupational choices is keen to one's level of economic empowerment. Thus, having more alternative occupational/employment opportunities positively correlate with a better status of empowerment. Conversely, lack of alternative source of livelihood tends to relate positively with economically disempowered position. Consequent to this viewpoint, the survey solicited women entrepreneurs' response by means of inquiring the ease/difficulty they would face in case they want to change their present engagement. As Table 4.15 presents, significantly large number of the informants (44.9 per cent replied 'Difficult' and 13.9 per cent replied 'Very Difficult') reported the existence of difficulty in obtaining employment opportunity elsewhere. These women specified that lack of locally available alternatives, shortage of working capital, and lack of local government support as major explanatory factors for their limited ability of finding occupational choices.

**Table 4.15 Level of Ease/Difficulty of Obtaining Alternative Employment Choices<sup>9</sup>**

| Ease/Difficulty Level | Activity    |      |             |     |              |      |             |      | Total |      |
|-----------------------|-------------|------|-------------|-----|--------------|------|-------------|------|-------|------|
|                       | Food & Veg. |      | Dressmaking |     | Hairdressing |      | Petty Trade |      |       |      |
|                       | Freq        | %    | Freq        | %   | Freq         | %    | Freq        | %    | Freq  | %    |
| Very Easy             | 5           | 3.2  | 2           | 1.3 | 1            | 0.6  | 4           | 2.5  | 12    | 7.6  |
| Easy                  | 13          | 8.2  | 13          | 8.2 | 3            | 1.9  | 9           | 5.7  | 38    | 24.1 |
| Moderate              | 0           | 0    | 5           | 3.2 | 8            | 5.1  | 2           | 1.3  | 15    | 9.5  |
| Difficult             | 20          | 12.7 | 13          | 8.2 | 18           | 11.4 | 20          | 12.7 | 71    | 44.9 |
| Very Difficult        | 10          | 6.3  | 1           | 0.6 | 7            | 4.4  | 4           | 2.5  | 22    | 13.9 |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

The other respondents of which 7.6 per cent, 24.1 per cent, and 9.5 per cent consider that they would encounter a very easy, easy, and moderate situations, if they want to change their present occupation. To have a clear picture of the situation, further the women were requested to provide justifications for their response. Accordingly, these women believe that their proficiency and skill, presence of divers alternative occupations, gender based supports (supports that favor women), support of local government, and relative access to working capital are what they think that help them get alternative occupational choices.

As it is highlighted under the section of local institutional frameworks, the TIO and WAO are identified as key participants and implementers of economic programs/intervention measures with the aim of poverty reduction and employment creation through promoting the participation of the local poor and unemployed to engage in MSEs. In particular, as the establishment objective of the WAO indicates, enhancing the economic power of women is one of the programs to be pursued. Likewise, the TIO is also assigned to create favorable conditions to ensure equal participation of women entrepreneurs in the endeavor of implementation of MSED program.

<sup>9</sup> The percentages given in each cell of the table are computed out of the total 158 respondents.

As part of these responsibilities, these offices are promoting the engagement of women in various business activities in such income generating activities as poultry, animal husbandry, cultivating fruits and vegetables, dressmaking and embroidery, petty trade and retailing, and waste collection to mention few. Therefore, compared to the alternative areas of engagement that are currently promoted by the local administration, the response of the survey participants is valid. In other words, as these respondents are already engaged in such businesses, and as these activities are further presented as alternative by the local offices; it quite sensible for them to face difficulty to obtain some other occupation elsewhere except switching their business to some related activity.

#### *v. Access to Training*

One of the important components of BDS is access of skill development trainings. Training should essentially be tailored to the specific situation of trainees. Therefore, women entrepreneurs were asked whether they have attended any kind of training that potentially support them in their respective engagements. According to the response obtained, only 38.6 per cent have attended a training, which develop or improve their performance. Considering these employment wise, 22.9 per cent of food, fruit and vegetable sellers, 67.6 per cent of dressmakers, 59.5 per cent of hairdressers, and 12.8 per cent of retailers/petty traders reported of receiving training. Most of the entrepreneurs who have ever received training indicated that the training was administered by NGOs that function in the locality and some private institutions.

In support to the result of the survey, the interview conducted with both the section head of MSED and WAO of the town point towards the persistence of inadequate access to entrepreneurial training opportunities on a local basis for women entrepreneurs. The informant from WAO of the town conveyed that certain training programs including, accounting and financial management and entrepreneurial trainings are being provided to women entrepreneurs in the town with the help of local NGOs. In further explanation, as the training session is totally dependant on the willingness and availability of NGOs, there is difficulty in providing training opportunities for a substantial number of entrepreneurs. On the other hand, record of interview conducted with the MSED section of TIO and scrutiny of documents show that the effort made

on the provision of training was insignificant. Accordingly, until 2006/07, only 120 entrepreneurs have received technical training and also 320 entrepreneurs are provided with training on Enterprise Management which accounts for 13.6 per cent of the plan (budgeted performance) of the office. As this data is not gender disaggregated, it has made analysis of this performance on gender line difficult.

The major reasons suggested for the poor performance in training provision in both WAO and MSED section were an acute shortage of budget allocated to support such activities and lack of sufficient trainers. Especially, the key informant from WAO said that the budget allocated to the offices has never been sufficient. Further, because of severe problem of business premises, those organized under MSEs and unable to commence their respective engagements tend to be desperate to take training.

#### **4.4.3 Access to Information**

As discussed in the second chapter, access to information plays a vital role in enhancing both collective and individual agency. In turn, enhancement of agency will significantly contribute to the empowerment of the marginalized or disadvantaged group. In line with this notion, Narayan (2006: 24) and the World Bank (2002: 15) argue that improved access to key and important information on timely basis helps the poor to take effective action accordingly and grants more voice and power.

Capitalizing on this valid argument, ensuring the informal sector's women entrepreneurs access to information about services offered by the government including availability of credit, training, reproductive health services, and salient legal and policy arrangements; soon or soon after would see them in a better economic position. Therefore, assessing the present status of women entrepreneurs from the spectrum of access to information related with welfare of women in general and women entrepreneurs is specifically deemed vital. Hence, Table 4.16 provides the rate of sample respondents as to their access to such information through newspapers and their frequency of telephone use.



**Table 4.16 Access to Newspapers and Telephone Messages**

| Type of Media | Monthly Access Rate |           |           |                   | Total |
|---------------|---------------------|-----------|-----------|-------------------|-------|
|               | No Access           | 1-3 Times | 4-7 Times | More than 7 Times |       |
| Newspaper     | 99                  | 33        | 10        | 11                | 153   |
| Per cent      | 64.7                | 21.6      | 6.5       | 7.2               | 100.0 |
| Telephone     | 46                  | 37        | 31        | 44                | 158   |
| Per cent      | 29.1                | 23.4      | 19.6      | 27.8              | 100   |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

As summarized in the Table 4.16 above, a significant proportion of respondents (64.7 per cent) even do not have monthly access to newspaper that contains any messages relating women in general. In comparison, the frequency of telephone use is slightly appeared to be better than access to newspapers. Accordingly, 27.8 per cent of the self-employed entrepreneurs make or receive at least seven phone calls monthly.

**Table 4.17 Access to Radio and Television Messages**

| Type of Media | Frequency of Access |                |        |           |         |           | Total |
|---------------|---------------------|----------------|--------|-----------|---------|-----------|-------|
|               | Daily               | Every Few Days | Weekly | Bi-Weekly | Monthly | No Access |       |
| Radio         | 19                  | 43             | 9      | 2         | 5       | 80        | 158   |
| Per cent      | 12.0                | 27.2           | 5.7    | 1.3       | 3.2     | 50.7      | 100   |
| Television    | 45                  | 31             | 25     | 7         | 4       | 46        | 158   |
| Percent       | 28.5                | 19.6           | 15.8   | 4.4       | 2.5     | 29.1      | 100   |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

In further consideration of the informants' access to Radio and Television messages that relate to women is no better. As Table 4.17 above indicates, especially access to Radio message is quite poor with 50.7 per cent having no access. Relative to this, access to Television messages rated frequently with 28.5 per cent of the sample respondents have daily access. Another important factor in the access to information considered is the dimension of improvement of

access to government services over the past three years. The response for this question is summarized in Table 4.18 below.

**Table 4.18 Status of Access to Information about Governmental Services**

| Current Status | Frequency | Percent |
|----------------|-----------|---------|
| Improved       | 98        | 62.0    |
| The Same       | 28        | 17.7    |
| Deteriorated   | 9         | 5.7     |
| Neutral        | 23        | 14.6    |
| Total          | 158       | 100.0   |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

As Table 4.18 above indicates, the knowledge about services provided by the government is improved for the majority of the women entrepreneurs (62.0 per cent) over the past three years. On the opposite side, for 5.7 per cent it has been declined while 17.7 per cent and 14.6 of the women reported no change as to their access to such information and preferred to remain neutral, respectively. Even if, there is improvement of access to information over the past year about services offered by government for most of the respondents, their accessibility to women related massages transmitted through newspapers, radio, television, and frequency of telephone use is found very much limited. As Khwaja (2006: 268) and Uphoff (2006: 225) suggest relevant information is important as a power resource and as it enhances the potential of one’s empowerment status. Accordingly, what has been observed in information access of the informal operators will count in favor of their disempowerment.

Further in this case, interview questions were forwarded to the key informants in WAO and MSED section. Accordingly, to improve informational support for women on various issues, the WAO is currently employs public meetings, though infrequent and locally available social organizations including local funeral associations/communal associations. One expected opportunity of delivering important information to the women in the town is the establishment of Jimma University Community Radio Program in which the WAO of the town has already secured permission to transmit its’ programs. On the other hand, the informant from MSED

section of TIO has relayed that as far as possible information related with market is provided only to those organized in MSEs though it is not significant.

#### **4.4.4 Organizational Membership and Collective Capabilities**

As discussed in the second chapter of this paper, organizational affiliations and collective capabilities are another important dimensions that are cited as having tremendous influence in the status/level of empowerment that a person enjoys. In a due consideration of this fact, there has been governmental provision on the formation of associations around MSEs with a salient framework for the development of women entrepreneurs. As the response of the majority of informal self-employed women who are part of the target of the framework implies, they are not currently obtaining the opportunity. Only 24.7 per cent of these women replied that they are member to some form of associations and 75.3 per cent of them do not have any form of association and organizational affiliations.

Most of the women entrepreneurs who indicated that they are members of associations currently reported getting benefits from membership. Despite the low rate of membership, the women entrepreneurs who are members of women entrepreneurs' associations said that they are important in addressing common problems, facilitating training and credit access, ensuring access to business premises, and providing relevant information. On the other hand, some entrepreneurs said that they are obtaining no benefit as members of association. As identified earlier, the key office assigned with the task of setting up micro entrepreneurs associations is MSED of the TIO of Jimma town. Therefore, data obtained from the respective office also shows less involvement of women in micro enterprise associations.

As highlighted in third chapter of this study, women in Ethiopia experience a lower status in the society. Because of this, they are vastly deprived of access to productive resources as reflected in their poor living conditions and engagement in low income earning activities. Cognizant to this panorama, certain favorable measures are taken which are quite important in enhancing the economic wellbeing of women. By the virtue of interview conducted with section head of MSED of TIO reveals that favorable regulatory frameworks are establishes and

being implemented to ensure gender equality and gain the participation of women entrepreneurs in the enterprise development program. Accordingly, a prominent point set in the policy of MSEs development is the requirement that whenever any entrepreneurial association or organization is established at least 50 per cent of the members are expected to be women. Women entrepreneurs are further encouraged as promised with equal and even preferential right to access all services given by this government unit.

Despite of these salient positions related to women, the implementation of the policy and program requirements are not free from flaws. Interview conducted and records of the MESD section point out the ‘50 per cent quota’ of women’s membership in every entrepreneurial association is usually bypassed and neglected. Table 4.19 below presents gender and sector disaggregated data on the trend of development of MSEs as per the record of TIO of Jimma town for 2003/4 and 2006/07.

**Table 4.19 Members Organized in MSEs Disaggregated by Sex and Sector**

| Period  | Gender |     | Economic Activity |              |          |       |             | Total |
|---------|--------|-----|-------------------|--------------|----------|-------|-------------|-------|
|         |        |     | Industry          | Construction | Services | Trade | Agriculture |       |
| 2003/04 | Female | No. | 20                | 0            | 75       | 10    | 34          | 139   |
|         |        | %   | 14.4              | 0            | 53.9     | 7.2   | 24.5        | 18.8  |
|         | Male   | No. | 137               | 252          | 39       | 29    | 145         | 602   |
|         |        | %   | 22.7              | 41.7         | 6.5      | 4.8   | 24.1        | 81.2  |
| 2006/07 | Female | No. | 192               | 45           | 239      | 204   | 40          | 720   |
|         |        | %   | 26.7              | 6.3          | 33.3     | 28.3  | 5.6         | 28.6  |
|         | Male   | No. | 683               | 321          | 247      | 428   | 122         | 1801  |
|         |        | %   | 37.9              | 17.8         | 13.7     | 23.8  | 6.8         | 71.4  |

Source: Constructed from TIO 3<sup>rd</sup> Phase Report, 2006/07

As per its job and program description, the MSED section of TIO of Jimma town is promoting the establishment and development of MSEs sector yet, more progress is further required. In such endeavor of creating alternative income generating sources and enhancing socio-economic development, consideration of gender perspective is indispensable to the overall success of the

program objectives. Considering the performance of MSED section of TIO, irrespective of salient regulatory provisions to ensure equal gender participation, there is a missing link in actually implementing the same. As Table 4.19 above relays, the participation of women as compared to male is very low which is 18.8 per cent and 28.6 per cent in 2003/04 and 2006/07 respectively.

Further, sector-wise analysis of women's engagement indicate that they are more involved in service and trade activities which include selling food, vegetables and fruits, dress making and embroidery, petty trade and retailing and waste collection to mention few. The basic reason that the office identified for such trend is that most of women entrepreneurs prefer to engage in petty trade and retail of goods because of lack of awareness, skills and other barriers related with tradition or entrepreneurial masculinity of some occupations such as metal and woodwork, production of precast beam and brick and maintenance and garage services.

#### **4.4.5 Property Ownership Status of Informal Women Entrepreneurs**

As deliberated in the theoretical discussion made in this study, Ethiopian women assume a lower status in the society. As a result, they have limited opportunity for ownership of property. Therefore, this subsection is dedicated to the analysis of this incident when it comes to the informal sector's self-employed women taking issue of land and living house, on one side and access to work tools and equipments, on the other side.

##### ***i. Land and Living House Ownership***

Land is important asset for both poor and non-poor households since it provides a secure place to live and engage in economic and social activities, and constitutes collateral for credit. Likewise, access to productive assets underpin economic opportunity henceforth one's economic empowerment position in relation to others.

Related with this point, the sample women were asked whether they have a plot of land for which they have ownership title. Accordingly, only 24.1 per cent (38 informants) happen to have full ownership title on the land they are using while the remaining do not. What relates

with this is the issue of business premise. Business premise is determinant for effectively engage in economic activities and having a secure and sustainable livelihood. On the self-employed women entrepreneurs, 57.3 per cent reported that they are facing a severe lack of fixed business premise/workplace. Further discussions about the issue of business premise will be made under the subsection of constraints and challenges of the self-employed women in the informal sector.

What is your ownership status of the house you live in was also one of the questions forwarded to the respondents with the intention of examining their access to property. All of those who own land (24.1 per cent) reported that they have their own living house irrespective of its type and size evaluation. Most of the women survey participants 45.6 per cent are living in a rented house. Further, 8.9 per cent are squatters and 21.9 per cent are living either with their families, taking a rent with their fellow, or living in the houses owned by Urban Dwellers Association (Kebele). Thus, the entrepreneurs in the sample are currently underprivileged in terms of their access to land and own living house largely. Therefore, such lack or limited access to land entitlements and house ownership would pose challenges.

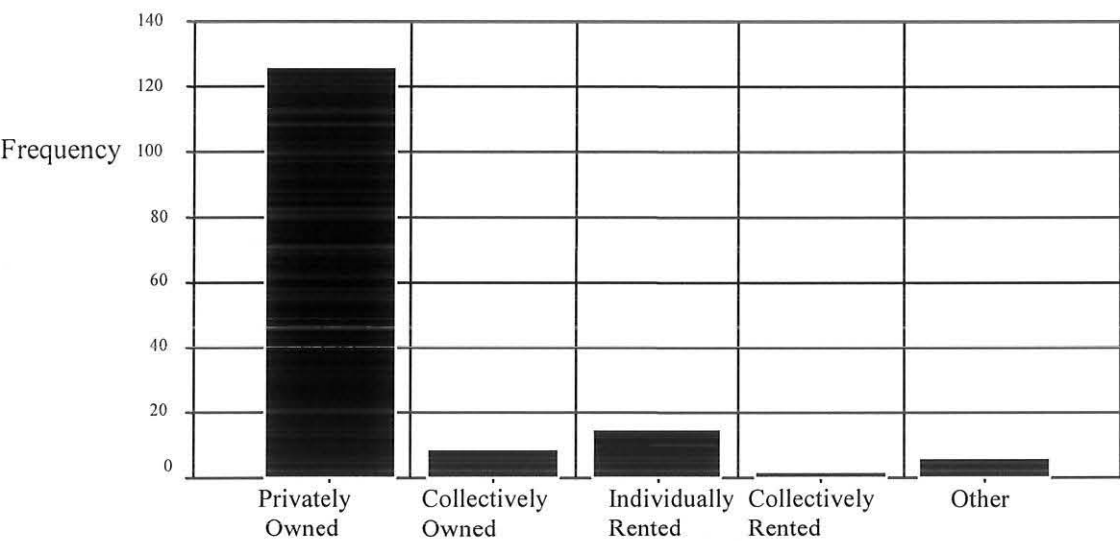
As compared to the survey data, the WAO of the town well acknowledge the long-lived problem of women's access to property. Therefore, to enhance women's access to property and income generation capacity, in the interview made the key informants relayed that chickens and seeds of vegetables are being provided to poor women in the town. In addition, shelter is being constructed to women living with HIV/AIDS. The sustainability of these activities still depends on the fund obtained by NGOs. As mentioned before the office is highly constrained by lack of sufficient budget, which is consistently low for years. Another interview made with the town's administration office indicates that the land administration procedures are totally gender neutral. These procedures are not bad per se. Nevertheless, because of long-held gender biases women's situation might not up to the procedures.

*ii. Access to Work Equipments and Tools*

Access to work equipments and tools is another dimension, which typically affects one's income generating capacity. So much so, the survey participants were asked to specify the

manner in which they able to own the tools they use in their respective engagements. As shown in the Figure 2 below, 79.7 per cent (126 respondents) reported that they individually own whatever tools they need.

**Figure 2 Form of Access to Equipments and Materials**



*Source:* Own Survey on the Informal Self-Employed Women, 2008

Further, 9.7 per cent, 5.7 per cent, and 1.3 per cent own the necessary equipments by the means of renting individually, collective ownership, and renting collectively respectively. In 3.8 per cent cases, they said that they do not need the use of tools. As some of the Hairdressers responded, they have obtained the equipment they are currently using from local NGOs for which the cost is paid on installment bases.

**4.4.6 Financial Support and Access to Credit**

Under this subsection, data related with credit and financial assets of the informal self-employed women entrepreneurs are put under scrutiny to expose their situation and extent of support they are receiving. More specifically, terms of financial concern such as the demand and rate of access of the entrepreneurs to credit, the major finance and credit sources commonly



used among informal self-employed women entrepreneurs, and their custom of saving and level of command on its use are deliberated here afterward.

*i. Demand for Credit*

To improve the lower status of the informal self-employed women entrepreneurs and ensure economic opportunities, enhancing credit availability and provision of financial support has indispensable role. Parallel with this, the women surveyed were asked if they were ever felt the need of borrowing money. As such, well more than half of them that account for 56.3 per cent reported as having the need for credit as shown in Table 4.20 below.

**Table 4.20 Demand for Credit**

| Level of Credit Need | Frequency  | Percent      |
|----------------------|------------|--------------|
| Frequently           | 22         | 13.9         |
| Rarely               | 67         | 42.4         |
| Never                | 69         | 43.7         |
| <b>Total</b>         | <b>158</b> | <b>100.0</b> |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

The other salient factor in economic empowerment is the ability of the person to achieve the desired subject of choice. Mapping this viewpoint to the theme on hand demands examination of whether those, who were in need of credit, have actually received/obtained whatever they need. The Table 4.21 below presents the proportion of the informants who were ever in need of credit and their achievement status.

**Table 4.21 Rate of Access to Credit Supply**

| Regularity of Credit Access | Frequency | Percent      |
|-----------------------------|-----------|--------------|
| Often                       | 11        | 12.4         |
| Sometimes                   | 49        | 55.1         |
| Never                       | 29        | 32.6         |
| <b>Total</b>                | <b>89</b> | <b>100.0</b> |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

According to Table 4.21 above, a substantial proportion of the women in the sample reported that they have had the credit they need. Among these women, 12.4 per cent have received credits very often and 55.1 per cent were obtained credits at times. Conversely, 32.6 per cent of respondents never obtained any kind of credit.

*ii. Sources of Finance and Credits Commonly Used by Women Entrepreneurs*

There are alternative sources of financial supports for entrepreneurs that range from informal to formal institutions in Ethiopia, as noted in the third chapter of this paper. Among the alternatives available Figure 3 below shows that the prominent source of finance is own saving (72.2 per cent) for the case study informal self-employed women. The second alternative to which the entrepreneurs resort is family and friends support with a rating of 31 per cent of respondents followed by Equb with 25.9 per cent. Among available MFIs operating locally, only 12.7 per cent of informants were able to receive credit.

As compared to this finding, evaluating the performance of the locally available MFIs performance will give more detail information about the situations before hand. Accordingly, three MFIs have been operating in Jimma town. These locally available MFIs are Oromia Credit and Saving Association Share Company, Eshete Credit and Saving Association Share Company, and Harbu Credit and Saving Association Share Company. The lending performance of these institutions is presented in Table 4.22 below.

**Table 4.22 Summary of the Performance of MFIs in Jimma, 2006/07**

| Micro Finance Institutions    | No. of Active Women Clients | Loan Size (in ETB) | Average Loan Size |
|-------------------------------|-----------------------------|--------------------|-------------------|
| Oromia Credit and Saving S.C. | 269                         | 281,100.00         | 1045.00           |
| Harbu Credit and Saving S.C.  | 1140                        | 2,366,171.00       | 2076.00           |
| Eshete Credit and Saving S.C. | 1404                        | 1,456,100.00       | 1037.00           |
| Total                         | 2813                        | 4,103,371.00       | 1458.72           |

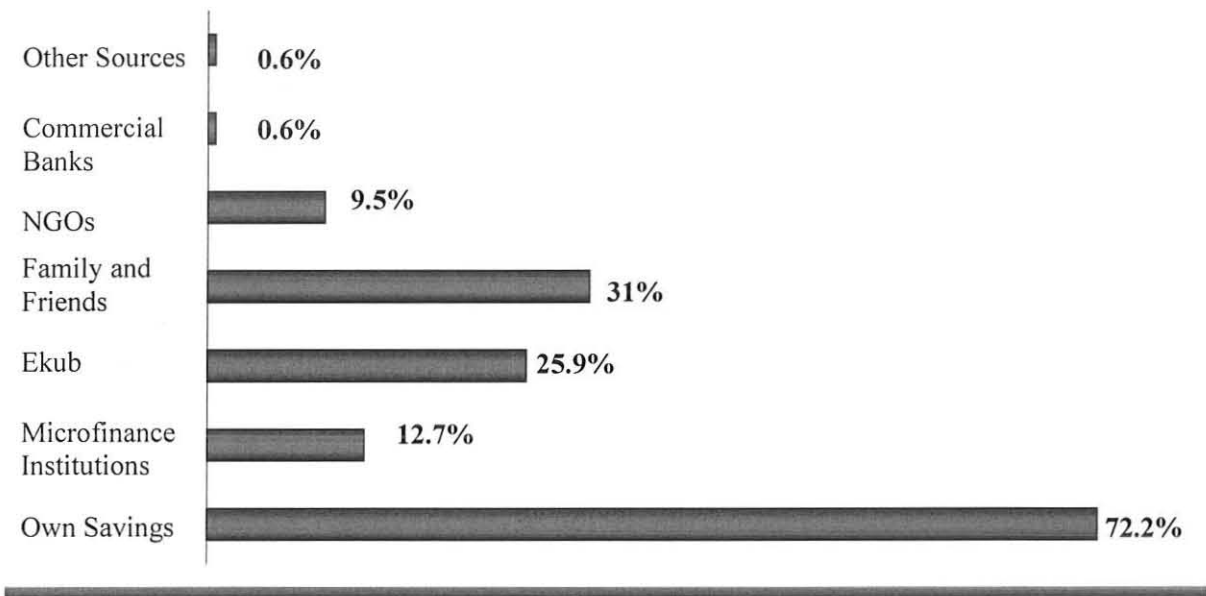
Source: WAO of Jimma Town, 2008

As summarized in Table 4.22 above, 2813 women have received a total loan of ETB 4,103,371.00, which amounts for a loan size of ETB 1458.72 per person. As one can observe,

the loan size provided is quite minimum to cover every costs of establishing a micro enterprise especially as the entrepreneurs are required to construct their own sheds. Lest, this loan size is sufficient for engaging in enterprises that possibly yield low return as usual.

In further consideration of the survey result, few women (9.5 per cent) also obtained credits and financial support from NGOs that are found in the locality. As per the record of the interview with WAO, the UNICEF, OSS, OSSA, and Cheshire Ethiopia are the prominent NGOs that provide financial supports and training for the unemployed and poor women in the town. However, such supports from these organizations are limited and cannot accommodate large number of the poor women in the town. The remaining sources of finance are found insignificant for the credit and finance needs of the entrepreneurs. In sum, the finding of this survey pertain to the sources of finance for micro entrepreneurs is consistent with the findings of Mulu (2007: 15), a study on Growth of Micro-Enterprises in Ethiopia.

**Figure 3 Sources of Finance for Informal Women Entrepreneurs**

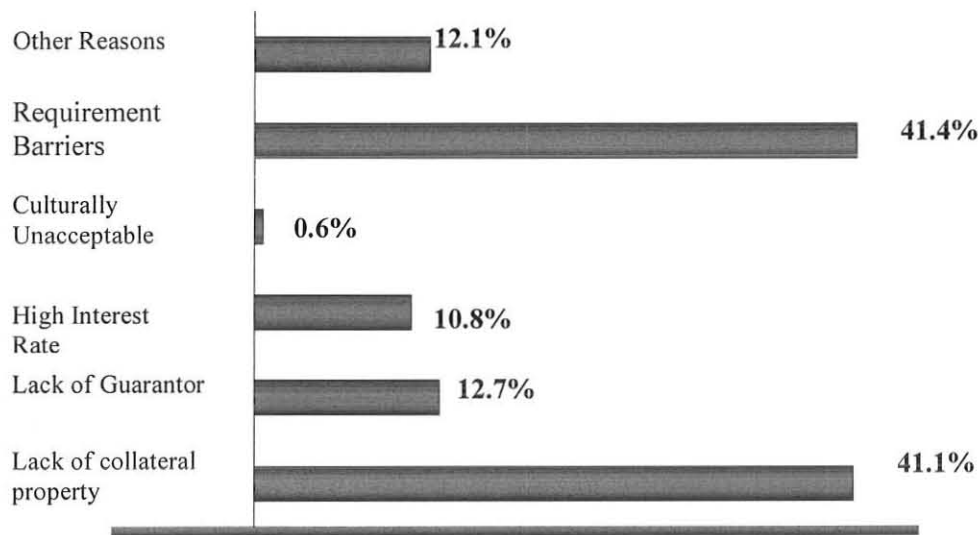


Source: Own Survey on the Informal Self-Employed Women, 2008

This finding implies that for one or more reasons the sample respondents are not in a position of accessing important formal finance institutions as most of them are using informal finance sources largely. Nevertheless, this observed trend by any means do not subdue to

presupposition that the women are unwilling to take loan from these institutions. In an attempt to probing into the basic reasons for inaccessibility of some credit and finance providers among women informal sector’s operators, this survey has posed a question that if there are any sources of credit for people in the locality, but which are not available to them. So much so, 67.7 per cent of these women feel the existence of institutions that are inapt to their situations. Figure 4 below presents the primary reasons that the informal women operators consider for their inability in accessing institutions.

**Figure 4 Primary Reasons for Inability to Access Credit Sources**



*Source:* Own Survey on the Informal Self-Employed Women, 2008

Accordingly, inability to fulfill the requirements of the institution providing credit stood as the main barrier (41.4 per cent). Such requirement barriers include group guaranty systems and lack of legal status even also after forming an association are the prominent ones pointed out by the informants. Almost the same proportion of the women respondents (41.1 per cent) also attribute lack of collateral as a primary cause that prohibit them from accessing some credit sources. Further, comparably 12.7 per cent and 12.1 per cent of the same respondents infer inability to find guarantor and other intricate reasons happen to cause denial of some credit sources from granting them a loan. In further explanation of other frequently quoted barriers were;

- the loan repayment period in other case reported as very short and provides limited flexibility
- group based loan provision is quite risky in case of default of partner and do not fit to own interest
- inability to get reliable and trusted partners whom they know each other and honest to take a loan with
- lack of interest to provide property as collateral
- considering the failure of previous users of such fund, those entrepreneurs living with their family faced a problem of obtaining their family permission
- complicated bureaucratic procedures

In addition, 10.8 per cent of the women surveyed suggest that fear of high interest rate charged by the credit institutions has barred them from obtaining the service. The insignificant barrier singled out by the self-employed women surveyed is lack of cultural acceptance with the rating only one informant.

Supplement to the above information obtained from the entrepreneurs, the MSED section head notified that the access of entrepreneurs in the town to financing service is currently constrained by most of the factors aforementioned by the entrepreneurs themselves. To note the significant barriers;

- lack of legal status because of some micro enterprises association have of less than 10 members
- no special financing programs exist to help overcome the barriers women face in accessing credit in the instances that the entrepreneurs unable to provide guarantor and collateral
- the credit institutions in the town only provides an amount which is less than a credit amount specified in the business plan of the micro entrepreneurs association
- there is no system that enable women to access business financing as individual entrepreneur and the mutual-guarantee lending basis tend to pose problem. More specifically, there must be concord among a given micro entrepreneurs association as to whether to take loan, if not, MFIs as a requirement do not provided any loan to the

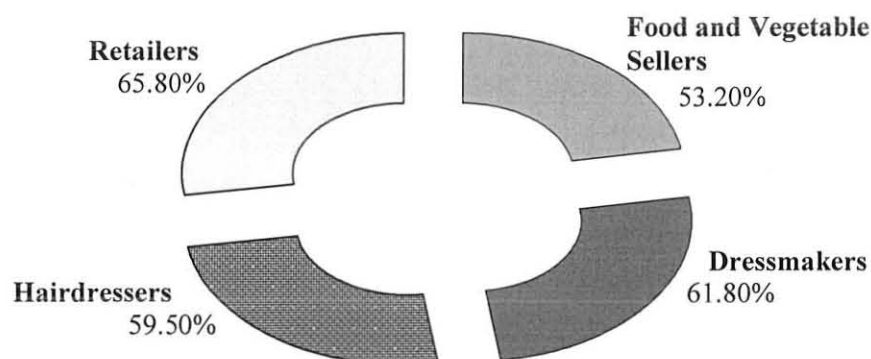
association. For instance, some members who can access credit or financial support elsewhere may not be interested taking loan from such institutions, in such cases the whole group will be denied access to credit

Thus, the limited access and lack of favorable opportunities for the informal self-employed women to financial supports together with other constraints can have a potential of explaining the vulnerability of these women to economically disempowered situation.

### *iii. Custom of Saving and Control Over the Use*

As indicated above, most the informal self-employed women informants rely on their savings to finance their micro entrepreneurship activity. In line with this, the women were asked the amount of saving they kept, if they have any at the present. Accordingly, it has been found that majority of the entrepreneurs which accounts for 59.6 per cent of the total 156 cases responded to this question have the custom of keeping savings as compared to 40.4 per cent having no saving.

**Figure 5 Custom of Saving Money Disaggregated by Type of Activity**



*Source:* Own Survey on the Informal Self-Employed Women, 2008

When considering inter-activity distribution of the women in the survey they have savings, unlike the disparity observed in the level of daily income earned, a fair distribution tend to prevail with this element. As Figure 5 above depicts, 53.2 per cent of Food and Vegetable Sellers, 59.5 per cent of Hairdressers, 65.8 per cent of Retailers, and 61.8 per cent of

Dressmakers reported that they have some amount of savings. Yet the mere fact that they have savings does not lead to financial strength per se. the amount of savings tend to bear an implication on one’s financial position, inter alia. Thus, among those keeping a saving, 72.6 per cent of them have saving of less than ETB 1500, which is quite low amount. Only 22.1 per cent of them lay in between the category of ETB 1501 – 3000. On the other hand, 5.3 per cent possess a saving which ranges from ETB 3001 to 5000. Table 4.23 below translates the above figures in terms of the types of activity that the informants deal with.

**Table 4.23 Total Amount of Savings Disaggregated by Activity**

| Amount of Savings  | Type of Activity    |      |             |      |              |      |           |     |
|--------------------|---------------------|------|-------------|------|--------------|------|-----------|-----|
|                    | Food & Veg. Sellers |      | Dressmakers |      | Hairdressers |      | Retailers |     |
|                    | Freq.               | %    | Freq.       | %    | Freq.        | %    | Freq.     | %   |
| Less than Birr 500 | 12                  | 44.4 | 10          | 47.6 | 6            | 27.3 | 4         | 16  |
| Birr 501-1500      | 12                  | 44.4 | 6           | 28.6 | 4            | 18.2 | 15        | 60  |
| Birr 1501-3000     | 3                   | 11.1 | 2           | 9.5  | 11           | 50   | 5         | 20  |
| Birr 3001-5000     | 0                   | 0    | 3           | 14.3 | 1            | 4.5  | 1         | 4   |
| Total              | 27                  | 100  | 21          | 100  | 22           | 100  | 25        | 100 |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

As the Table 4.23 above renders, there is relatively equal distribution of savings over the type of engagements considered. Yet, further approaching the data in terms of saving category indicates the pattern observed on the daily income of the women in the survey. Hence, those engaged in hairdressing are identified as a-well-to-do group having a relatively higher savings than the remaining activities. Consequently, 54.5 per cent of those engaged in hairdressing reported that they have savings of more than ETB 1500 while only 11.1 per cent of the women engaged in food and vegetable selling are lays in this category specifically confined to in the category of ETB 1501 - 3000. In the same manner, 5 of 21 (23.8 per cent) and 6 of 25 (24 per cent) of the women engaged in dressmaking and petty trade have savings which range from ETB 1501 – 3000 respectively.

Therefore, form the pattern of savings and as supplemented by the daily income; as the type of engagement advances in terms of technical skill it requires, professional nature of the activity,



and type of service or good dealt with are found to partially associate with a relatively higher opportunity of savings and income.

**Table 4.24 Control over the Use of Savings**

| Who decides?                       | Frequency | Valid Percent |
|------------------------------------|-----------|---------------|
| Myself                             | 54        | 58.1          |
| Together with my husband           | 25        | 26.9          |
| My husband only                    | 1         | 1.1           |
| Together with other family members | 11        | 11.8          |
| Others                             | 2         | 2.2           |
| Total                              | 92        | 100.0         |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

Another point salient to the economic domain of empowerment is the control level that one has over the decision of when and what for the savings will be used. To address this, when the women asked how they decide when and what for the savings will be used, the majority (58.1 per cent or 54 informants) replied that they do have the ultimate freedom over the use of their own savings as incorporated in Table 4.24 above. Not to overstate this figure, out of these 54 women only 9 of them are presently married. In this aspect, the level of freedom that majority of the women enjoys is substantial, though some of them needs consultation and bargain with their family and other household members over the use of savings. Only three informants suggest that ‘Only my husband’ in one case and ‘others’ in two cases where the one is identified as consultation with friends and the remaining is left with no identification of the deciding body.

In general, the habit of saving among the entrepreneurs is constructive as most of them are currently practicing it. This contributes to their wellbeing, as they are highly dependent on their own savings for running their establishments. The challenge at this spot is that for most of them the amount of their saving is quite low as they earn a very low amount of income. So much so, some of the respondents implied that their income is hardly enough for their necessities nor to save.

#### 4.4.7 Psychological Assets of Informal Self-Employed Women

Apart from possession of physical assets, psychological asset as explained by individuals' understanding level and awareness of the prevailing situations plays a significant role in shaping the horizon of one's empowerment milieu. Moreover, psychological asset is one of the basic components of that enhance agency, which in turn explains how effectively the disempowered situations can be undone. Hence, this subsection is dedicated to appraising the awareness of the informal self-employed women from the spectrum of understanding their situations. So much so, data deliberations concerning the incident of gender specific challenges, the extent of content relating to self-employment, control over welfare decisions and awareness of policies and programs related to women, and assessment of perceived level of economic domain of empowerment are made based on the response of women in the case study sample survey.

##### *i. Occurrences of Gender Specific Challenges*

The survey respondents were asked to describe the event of gender specific challenges they have faced in the area of their engagements. Accordingly, the response for the majority of respondents (80.4 per cent or 127 informants) implies that they have not observed any form of gender specific challenges. On the opposite side, only 19.6 per cent (31 informants) reported the existence of rampant gender specific challenges. In further explanations, those respondents who reported to have faced gender specific constraints singled out the following as some of the prominent challenges;

- harassment and verbal violence from males at their workplace
- attempted and actual physical attacks
- theft and loss of property mainly due to lack of support and physical strength [being as a women]
- security and mobility threats problems to extend work to the evening
- even if it is told that some considerations for women, the usual trends are still maintained
- widespread gender inequality everywhere
- excessive household chores

- police and Kebele officials harassment during vacation from work place/premise

At this point of discussion, only few of the respondents were able to articulate the aforementioned challenges, nevertheless this does not imply that these problems are specific to this group of respondents. Thus, most likely the difference lies on how one perceives it. So much so, conflict is said to exist, if only it is perceived by the parties into it. Equally, if one fails to notice the existence of incompatibility of interest, visible conflicts will not come to surface. Yet, this does not grant the non-existence of challenges, though invisible challenges continue to prevail. As widely referred, there are certain long-held cultural norms and gender constructs within the society wherein women accept their role anonymously regardless of no connection between the subject's and their sex.

Furthermore, as the interview conducted with the key informants in WAO implies, there is a widely prevalent violence against women's in the town. As these informants emphasized, rape, intimidation, and domestic violence are prominent problems in the town, which are overwhelmingly taking much of the working time of the office. Hence, given this factor and lack of sufficient human resource are by far constraining the office from dealing with other affairs. Therefore, on the women in the case study, the majority of the informants either might consider these practical gender specific constraints as not related with their gender, as something naturally determined to exist, or may not be interested in exposing this to others<sup>10</sup>.

## ***ii. Stance towards Informal Self-Employment and Command over Welfare Decisions***

As part of understanding the informal self-employed women's perception towards their engagement, they were asked whether they are proud of being self-employed. Consistent with the findings of ILO (2003: 24-25) survey on Ethiopian Women Entrepreneurs whereupon 88 per cent of women entrepreneurs were proud of their employment, in this survey also most of the sample entrepreneurs (91.1 per cent) are reported as being proud of their engagement. In fact, a very few entrepreneurs which constitute 8.9 per cent of women in the survey said that they are found modest in their respective engagements in the informal sector. This finding

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<sup>10</sup> My own observation of traditional harmful practices of female genital mutilation for instance; women are among the active participants, which could be because of ignorance or lack of knowledge about its negative consequences. Likewise, verbal harassments are commonly overlooked as business-as-usual.

posits that the informal operators feel good towards their respective engagement. Hence, this fact could lead to the assertion that if they get the opportunity, there will be a large likelihood that they grow their business.

In further examination of the situation of informal self-employed women, a critical issue that demands consideration is the degree of control they have over decisions that bear implication on their interests. When asked about the extent to which they oversee decisions that affect their personal interest, the majority of the informal operators (76.6 per cent) conveyed that they have high level of control over such decisions. As the response of the informants is summarized in the Table 4.25 below, the remaining 23.4 per cent reported a control level that ranges from moderate to very low. Further information related to the percentage share of each response groups can be obtained form Table 4.25 hereunder.

**Table 4.25 Informal Self-Employed Women’s Control over Their Own Welfare**

| Rate      | Frequency | Percent | Cumulative Percent |
|-----------|-----------|---------|--------------------|
| Very High | 71        | 44.9    | 44.9               |
| High      | 50        | 31.6    | 76.6               |
| Moderate  | 16        | 10.1    | 86.7               |
| Low       | 17        | 10.8    | 97.5               |
| Very Low  | 4         | 2.5     | 100.0              |
| Total     | 158       | 100.0   |                    |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

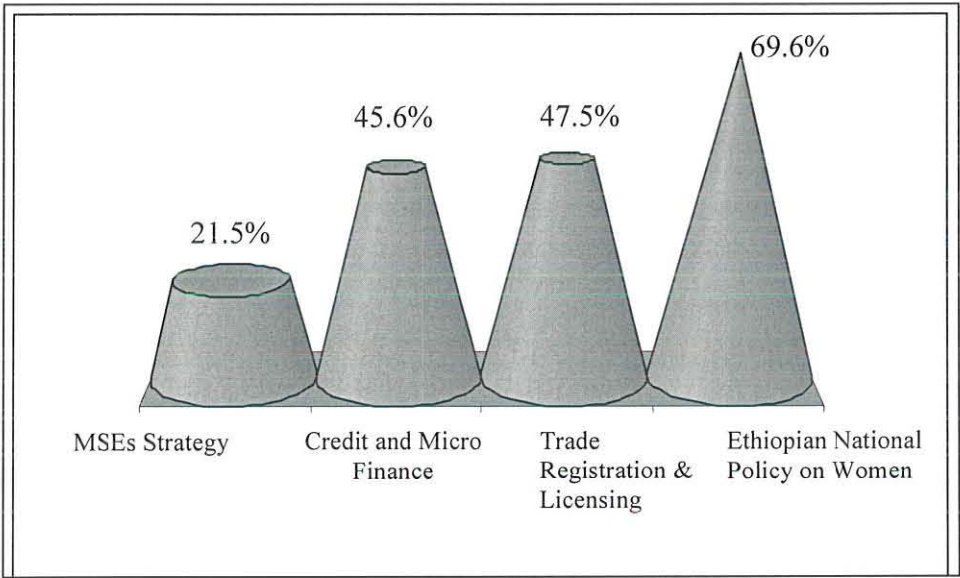
As observed in the Table 4.25, most of the informal operators are relatively in a better condition in overseeing decisions that affect their own welfare. Such dynamics will have its own positive effect towards their empowerment.

***iii. Awareness of Policy and Program Issues***

In the context of evaluating the surveyed women’s access to information in the earlier case, it is noted that having the relevant and timely information and awareness is keen to gauge the actions and decisions of the recipients. Of particular importance to the objective of this study,

assessing the knowledge of the women informal operators about government’s policies and programs that are formulated to provide support and thereby reduce poverty is quite necessary. In due consideration, government provisions that set out important opportunities for women are presented to the women’s in the survey and asked whether they are aware of the provisions. Thus, the result of the survey is summarized and presented in Figure 6 below.

**Figure 6 Awareness of Government Provisions Related to Women**



*Source:* Own Survey on the Informal Self-Employed Women, 2008

Figure 6 above presents the awareness of the survey participants about trade registration and licensing provisions, micro finance and credit institutions and their services, the micro and small enterprises development strategy, and the National Policy on Ethiopian Women. Therefore, as one can observe the knowledge of the informants about the stated frameworks is moderate. The most known policy among the respondents is the 1993s National Policy on Ethiopian Women with the rating 69.6 per cent followed by trade registration and licensing provisions with 47.5 per cent of respondents being aware of it. Still moderate amount of respondents (45.6 per cent) are aware of the services of micro finance and credit institutions. Further, the least known government program/strategy for the women entrepreneurs is the micro and small enterprises development strategy with a rating of only 21.5 per cent of informants.

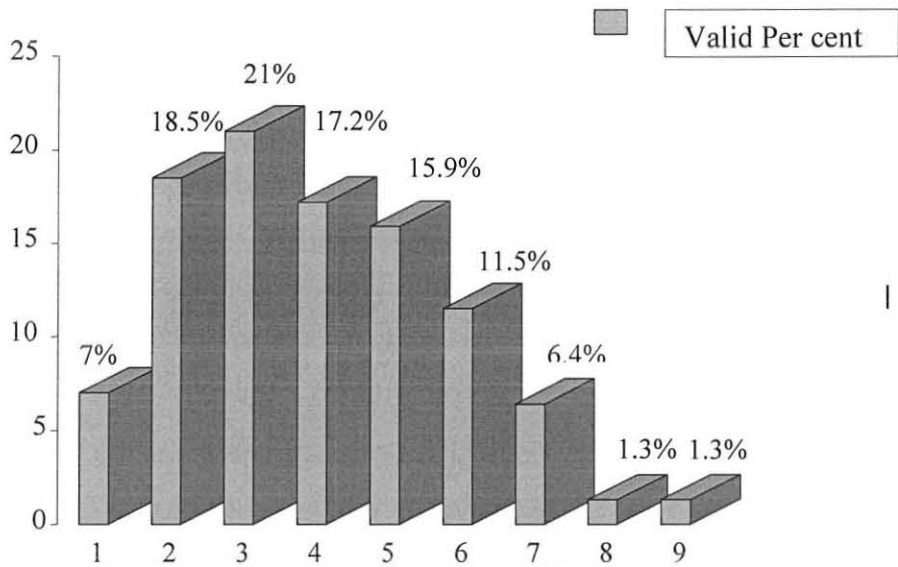


The trend of awareness of government support frameworks implies that provisions with salient points related to women welfare in general as in case of NPEW; and MSED strategy that sets women entrepreneurs as a specific target group are not widely known. As a result of lack of knowledge about the frameworks mentioned above, the women who are the reference group for the provisions may not effectively receive the promised benefits and served by such programs.

*iv. Perceived Level of Economic Domain of Empowerment*

As the ultimate concern of the research is the economic empowerment of women, an attempt is made to measure the perceived level of subjective economic welfare among the women in the sample. To this end, a scale developed by Lokshin and Ravallion (2006: 179) is adopted to measure the economic domain of the informants. This measurement scale requires respondents to place themselves on Cantril Ladder of nine steps for their perceived economic welfare. Assuming the nine steps where on the bottom, the first step, stand people who are completely without economic opportunities, and on the highest step, the ninth, stand those who have a lot of economic opportunity, then the respondents were asked on which step they believe they are currently. Accordingly, the responses of respondents are summarized and presented in the Figure 7 below.

**Figure 7 Self-Perceived Status of Economic Domain of Empowerment**



Source: Own Survey on the Informal Self-Employed Women, 2008



One can observe from the above Figure 7 that the response of the surveyed women is skewed to the left, the bottom of the Cantril Ladder with more concentration in between the second to the fifth steps. Then onwards, the proportion of respondents on each higher step will drastically decrease to reach 1.3 per cent at both the 8<sup>th</sup> and 9<sup>th</sup> steps. As the assumption specified above, as one goes to the bottom, the perceived economic opportunity which is the reflection of the prevailing situation that the person face will invariably decreases and vice versa. Hence, with this understanding, the sampled respondents' concentration to the bottom of the ladder signify that their perception of own economic domain of empowerment is low. In more vivid terms, relatively substantial respondents indicated that they exist on the 2<sup>nd</sup> and 3<sup>rd</sup> steps with a share of 18.5 per cent and 21 per cent. Further, on the 4<sup>th</sup> and 5<sup>th</sup> steps there are 17.2 per cent and 15.9 per cent of respondents.

Aggregating the above results obtained on the ladder into three categories in such a way that those standing on the 1<sup>st</sup> through the 4<sup>th</sup> steps considered as a 'low economic empowerment level,' the 5<sup>th</sup> step as a 'moderately economic empowerment,' and the 6<sup>th</sup> through the 9<sup>th</sup> steps as 'high economic empowerment' group will result in;

- 63.7 per cent of the informants perceive their situation as economically disadvantage position with a limited opportunity of economic space
- 15.9 per cent of the informants further consider themselves as in the middle between high and low level of economic empowerment
- 20.5 per cent of the survey informants believe that they are enjoying a relatively high level of economic empowerment and hence, better economic status and further opportunities

Nevertheless, this method of probing the level of economic domain of empowerment is open to the subjective judgment of the informants; it is a useful approach as a proxy to the practical situations, as what one perceives is largely the reflection of the reality. Therefore, supplemented with other variables discussed in this study, the finding implies that most of the self-employed informal women operators are seriously stricken by economic powerlessness.



**4.5 Local Government Support towards Informal Self-Employed Women**

As it has been made clear from the very beginning, this research endeavor is concerned with appraisal of the effectiveness of local government in actually ensuring the economic empowerment of women entrepreneurs in the informal sector. To this end, questions that enable the research probe into the level of support that the local government is supplying have forwarded to the study’s participants for which the outcome is presented hereunder.

**4.5.1 Mainstreaming Gender and the Performance of the Local Government**

By the virtue of interview conducted with the key informants from OoFED of the town, to ensure equal participation of women in the local development, a WAO focal point has been established parallel to other sectoral offices in the locality. Hence, this office is responsible to entertain the affairs of women in different parts of their life including the economic aspect. In addition, to enhance this effort women specific budget is usually allocated to this office. Yet the information obtained from the respective office indicates that the budget allocated to the respective office is ever low to undertake diverse program interventions. To see the reflection of the existing situations, the informal self-employed women were posed with the question of how you rate the local government’s concern for women. Consequently, the response obtained relatively fairly distributed over a range of very low to a very high. As can be observed from Table 4.26 below 29.7 per cent of the respondents believe that the current local government is performing well in addressing the concern of women. Comparably, 27.2 per cent consider that the local government is poor in its concern to women. Still 24.7 per cent of them replied moderate while, as much as 18.4 per cent of the informants preferred to be neutral from appraising the local government on such dimension for the personal reason known to them.

**Table 4.26 Local Government Concern for Women**

| Response Sets | Frequency | Percent | Cumulative Percent |
|---------------|-----------|---------|--------------------|
| Very High     | 8         | 5.1     | 5.1                |
| High          | 39        | 24.7    | 29.7               |
| Moderate      | 39        | 24.7    | 54.4               |
| Low           | 24        | 15.2    | 69.6               |
| Very Low      | 19        | 12.0    | 81.6               |
| Neutral       | 29        | 18.4    | 100.0              |
| Total         | 158       | 100.0   |                    |

*Source:* Own Survey on the Informal Self-Employed Women, 2008

In more detail analysis, comparison of the two extreme response sets shows a relatively wider disparity as only 5.1 per cent rated the concern as very high as compared to a rate of 12 per cent for very low. Observation of the overall result, however; conveys that moderate situation is prevailed in terms of concern for women.

**4.5.2 Local Regulatory Frameworks Relating to Entrepreneurs**

In other instance, do you think there are regulations that affect your current engagement, was one of the questions forwarded to the respondents. As high as 57 per cent of the own account women informal operators have known the existence of such regulation. This is consistent with the result once obtained by ILOs (2003: 57) study in Ethiopia. The next subsequent question was whether those aware of the existence of regulations are able to comply with the regulation. Contrary to the study mentioned above, majority (88.8 per cent) of replied that they are not currently living with it as compared to 11.2 per cent who reported complying with whatever regulation they think exists. In further explanation to the barrier that render them incompetent to comply with the regulations are identified as;

- insignificant earnings obtained from the engagement is not sufficient enough to bear costs associated with complying with regulations, for instance licensing their business
- the bureaucratic procedures to go through in case of adhering to the regulation

- no need to adhere regulations such as registration and license owing to the petty nature of the activity
- belief that some regulations are not important and value-adding, and
- no knowledge on how to comply to the rules were their major reasons

In this case, it is worth noting that these women are subjected to at least registration of their business if not license regulation. Actually, the finding implies that 43 per cent of them think that there are no regulations affecting their business/engagements. As a case in point, when asked about the presence of local government regulations and support, one desperate hairdresser replied that ‘... *I even do not know whether there is government around at all!*’ Such trend in non-compliance with regulations leaves informal firms vulnerable to complicated problems. Chen (2005: 18) confirms that compared to all sizes of formal firms, informal firms are by large exposed to bureaucratic harassment from officials as they are easy targets for being evicted or shut down, have less access to formal finance, experience more frequent electricity outages, and find government services less efficient.

Further, Mulu (2007: 15) find out that formality or informality of the firm has the potential to affect firm growth and in that states ‘firms operating formally will be in better position to grow as these facilitate them engage in the government programs such as public procurement, finance, training, business services and bank loans.’ Thus, based on this argument, informal micro enterprises are more far from the reach of government programs and interventions. Nevertheless, as discussed in the second chapter, poverty alleviation interventions must address these groups to be truly effective. As stated above, most of the sample entrepreneurs believe that they are not complying with regulation because they are powerless to reach the baseline of requirements.

By the virtue of interview made with the License and Registration section head of TIO, it is found that insufficient promotion and awareness creation efforts are made so far for formalizing the businesses of informal operators. The steps taken to date are: notifying those owners who establish their enterprise with a capital of ETB 3500.00 and more, to apply for license; and if it is below ETB 3500.00, to apply for registration, lest their establishments shall

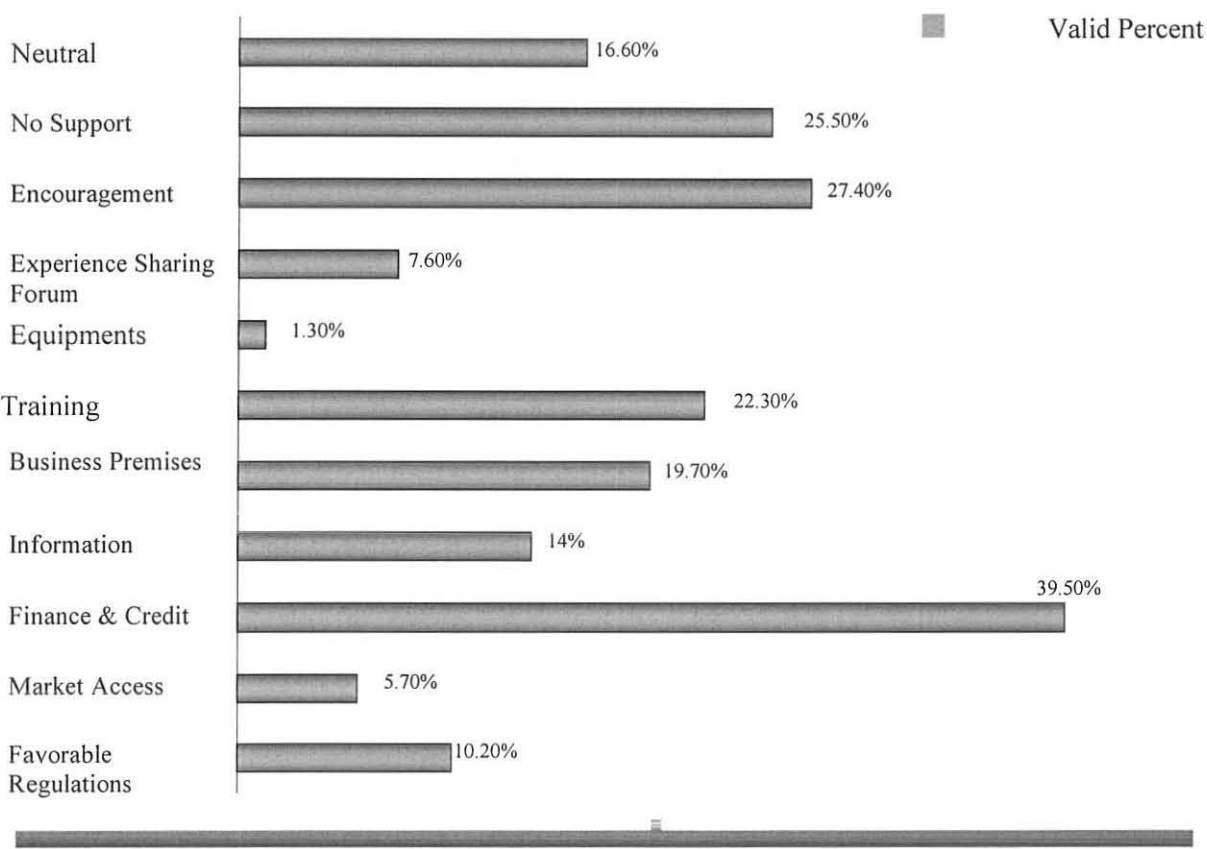
be closed. In addition, these requirements are totally gender neutral as there are no concessions being administered to women enterprises.

#### **4.5.3 Local Services and Supports for Informal Self-Employed Women**

As the detail of program frameworks of the local government implementing offices reviewed in the third section of this chapter, different forms of support and services are designed and being implemented so far with overall objective of improving the welfare of women on one hand and as part of poverty reduction program, on the other hand. Therefore, as mentioned elsewhere in this paper, the impoverished part of the society is more resort to the informal sector. Further extension of this trend to the case of women, it indicates that most of impoverished women resort to this particular sector to earn their livelihood. So much so, they should be one of the target groups in poverty reduction programs, as they are practically. In due regard, it is quite important to appraise how effectively such intervention programs are extended to reach the women micro entrepreneurs in the informal sector.

Related with the above theme of the study, the women were asked whether they have ever received any support from the local administration especially related with support to enhance their economic welfare. Thus, salient business development services and financial support elements, which are typically parallel with the programs of the local government, were included in the question. On the women in the survey, most of them replied that they have received no support and a very limited support in case they do. The summary of the responses of the entrepreneurs is depicted in the Figure 8 below.

Figure 8 Local Level Supports for Informal Self-Employed Women



Source: Own Survey on the Informal Self-Employed Women, 2008

Figure 8 expound the multiple response sets of the informants<sup>11</sup>. Accordingly, one can observe that the overall performance of support to the informal self-employed women is quite low. Thus, 25.5 per cent of the total informants reporting no support at all. Further disaggregating reveals that 58 per cent of the informants reported as getting one or more of the services. Not to overstate this figure, considering each category is important. In most cases, the percentage of the women that have received each of the items is low. To note, the most common service obtained is finance and credit support with the rating of 39.5 per cent of the respondents. The next frequently rated service is moral support and encouragement of women entrepreneurs,

<sup>11</sup> For each of listed response choices, the informants were allowed to provide more than one response if they want to except in the case of “No support” and “I do not know”

which is made in some instances. As further detail can be obtained from Figure 8 the least occurrence is for support of material and equipments with a rate of 1.3 per cent. Even if, there are some progresses additional efforts are indisputably essential.

#### **4.5.4 Improvements in Women Entrepreneurs Welfare**

Have you ever observed a positive change on women entrepreneurs because the government is taking measures was the other question forwarded to the informants. The majority of informants reacted negatively. More specifically, 63.9 per cent of them suggested that there is no change on their situation and fellow self-employed women as compared to 36.1 per cent that replied positively. Cross-scrutiny of the respondents that replied negatively to ‘improvement of entrepreneurs’ with the respondents that also replied negatively (no support) to the ‘support of the local government’ reveals an important information. Consequently, among those reported as there is no positive change, 84.2 per cent of them have never received any support from the government and 15.8 per cent of them told that they have observed others making process, irrespective of their own deprivation and persistent neglect.

In addition, among the women who preferred to remain ‘Neutral’ to the ‘support of the local government’ in this case, 80.8 per cent (21 out of the total 26 informants) replied ‘no improvement on women entrepreneurs’. Therefore, even if these respondents prefer to be neutral, there is a high probability that they would be categorized to ‘No local support’ response group, in which case the performance of the town administration is discounted further. Conversely, among the 36.1 per cent that replied ‘there are improvements for entrepreneurs’ 84.2 per cent of them have ever received support from the administration.

In subsequent question, the women were also asked to explain their basic reason/s for their judgment of the pattern of change in welfare of women entrepreneurs. Accordingly, both categories of informants have implied emerging trends of improvements on one hand and possible missing links on the other hand.

*Positive emerging trends of improvement:*

- presence of relatively improved concern for women and affirmative actions plan
- problems of women are addressed promptly through the WAO
- growing equality between male and female
- relatively improved initiation for change and development
- improved women's right around the business environment

*Missing links and unresolved issues*

- lack of access to finance institutions as a result of group based lending system
- widely prevalent problem of implementing policies at local level
- inconsistency between what practically exist and what is heard from diverse reports
- informal affiliation with officials is required (nepotism)
- still there persist inequality in different spheres of life
- unreasonable requirements for forming associations
- lack of active support of the local administration
- limited supports with limited coverage
- lack of legal status and harassment by officials
- promises with no practical outcome

#### **4.6 Constraints to Women Informal Sector Entrepreneurship**

Throughout the research endeavor, critical analysis has been made to understand the effectiveness intervention measures in addressing the challenges of the informal self-employed women and enhancing their economic domain of empowerment. To this point, the basic elements of economic empowerment have been discussed apropos the informal self-employed women. Therein, diverse constraints affecting the engagements of self-employed women have discussed in detail vis-à-vis the intervention measures taken by the local government. As continuation, this subsection is further committed to methodical analysis of constraints to informal self-employed women in achieving an adequate standard of living over working lives.



In the theoretical frameworks concerning the informal sector, it is renowned that the costs of informal engagements are significantly higher than the advantages from it. Except for few, the informal earnings are not sufficient to rise predictably above the poverty threshold in general. As it is observed, the same episode is reflected on the women in the survey. For further understanding of the basic factors that imperil the informal engagement of women entrepreneurs, the informants were inquired to denote prominent problems that hindered them from attaining adequate standard of living over working lives. Accordingly, most of the informants point towards lack of working capital as the most factor that currently jeopardizing their engagements in enterprises. Consequently, 79.6 per cent of the entrepreneurs insinuated that owing to their powerlessness to raise sufficient working capital paired with the subsistence income earned from their engagement is taking a huge toll on their wellbeing and corroding the benefits earned through their respective employment.

The next prominent factor that relegates the effort of the informal women micro entrepreneurs is lack of appropriate business premises. As the survey outcome implies, 50 per cent of Food and Vegetable Sellers, 85.3 per cent of Dressmakers, 59.5 per cent of Hairdressers, and 39.5 per cent of Petty Traders reported that they are severely incapacitated by lack of fixed and appropriate work area. As compared to others, a high incidence of working place vulnerability is sustained by Dressmakers. The first basic reasons for this incidence is that since most of them operate around open markets place (55.9 per cent) adjacent to other formal operators' verandah and residential areas (44.1 per cent) where they have limited access to market. The other alternative reason is that due to the equipment (sewing machine) they use is not easily movable where most of them keep it with someone they know during nighttime. As a result, their engagement is mostly depend on the good will of others owing to the fact that they do not have business premise and/or inability to rent one.

The third factor purported as constraint by the women is the situation of stiff competition with fellow entrepreneurs, which is rated by 39.5 per cent of the women informants with relatively fair distribution across all types of activity considered. Excessive domestic chores or time poverty is identified as the next underling constraint of the informal self-employed women with a rating of 29.9 per cent of respondents followed by 19.9 per cent of respondents suggesting

lack of management skill. Sixthly, lack of family support and other barriers stands as a severe problem for 15.9 per cent of the entrepreneurs participated in the survey.

In addition to the identification of the constraints, the women entrepreneurs engaged in the informal sector were never hesitant to expound their situations. A review of the explanations provided elsewhere on the survey questionnaire merits the study for further understanding of the costs of informal engagements. Such costs repeatedly stated include the following;

- high costs associated with increasing cost of living
- high insecurity of work and instability of income
- vulnerability to lack of productive assets and a very limited, almost non-existent access to formal financial services
- lack of legal status and eviction from operation area since they are considered illegal
- poor sanitation and long working hours including domestic activities
- exposure to weather particularly disruption of activity during rainy seasons since most of them do not own sheds and operate in open market places and along roadsides (street vendors)
- less support and concern received from government
- vulnerability to violence and theft and high dependence on other operators in some cases

In sum, this chapter is dealt with the analysis and interpretation of data obtained from the local government's offices and sample informants that engaged in the informal sector in Jimma town. Based on the analysis made so far, the next chapter proceeds with the conclusion and recommendations of the report.

## CHAPTER FIVE

### CONCLUSION AND RECOMMENDATIONS

#### 5.1 Conclusion

The central aim of this study is to examine the effectiveness of local governmental project and program interventions that are premeditated at the espousal of the economic domain of empowerment for the populace of the town along gender lines. Furthermore, a special attention has been given for the extent of inclusion of the impoverished informal self-employed women in the program frameworks and analysis of the panorama of their engagement. In due endeavor, different set of program interventions has been identified apropos the central theme of the study. Likewise, the informal self-employed women's status is investigated from the perspective of livelihood engagement or work lives and access to basic human and physical assets that give a boost to the eventual empowerment to this disadvantaged group.

This study documented that the local administration is practically executing diverse intervention measures and to date some remarkable achievements has been observed at community level in general. As a case in point, the gender gap in educational enrollment has been eliminated. Another area of success, owing to reduce poverty, unemployment, and enhance equitable economic growth the local administration offices, in partnership with locally available NGOs are promoting the establishment of MSEs in various sect of activities and providing a relative improved access to productive resources. The study's assessment of the program profiles of the local offices further supplements the key intervention measures identified to encourage the involvement of the local population on productive activities and be self-sufficient.

Reconsideration of the enumerated progresses along gender lines implies that in most cases women are still enduring the lower status in all dimensions. In particular, the self-employed women micro entrepreneurs engaged in the informal sector because of increased and persistent poverty and inability to find alternative occupations elsewhere are depressingly stricken by

different constraints. Nonetheless to the existence of some legal and regulatory features that entitle better economic rights for women, there are a number of byzantine constraints reflected on the livelihood engagements of women hitherto. Apropos access of women's to human and physical assets, the study reveals that the women population in the locality are shouldering economically disempowered panorama as ever before. Therefore, the examination of the situations of the informal women's livelihood engagements indicates the multifaceted problems.

One major constraint is gaining access to credit and financial support which is observed as incapacitating women's productive engagements. Inapt requirements of financial support providers in terms of collateral, guarantor, and group lending system/modality and unwillingness on the side of the women to use their property as collateral in some cases are some of the explanatory factors. Another constraining factor that women micro entrepreneurs have difficulty with is lack of organizational affiliations and collective power which is further paired with difficulty of accessing information about salient policy and legal frameworks relevant to them. These imperiling factors are further exacerbated by women's excessive time constraints because of their domestic roles.

Lack of enterprise and skill development trainings is furthermore a significant factor that is diminishing the productivity of the informal self-employed women. Yet, the other challenge singled out is insecurity of income because of high competition since many of the micro women entrepreneurs are interested to engage in activities where there are few barriers to entry such as petty trade and sell of food and vegetables. This in turn leads to saturation and low demand for their produce.

On another dimension, re-examination of the implications of intervention measures in force to address economic problems of women and enhance their livelihood activities is quite essential. As enumerated in the discussion of data collected from local offices, most of the programs are typically concerned with increasing the income of women in the locality through reducing women's workload, provision of skills training, credit initiatives, formation of women's self-help associations and entrepreneurial association to mention few. In addition, considering the

area/type engagements they are offered with include poultry, animal husbandry, and cultivation of fruits and vegetables. Such supports are essential but these intervention areas are only address practical gender needs. Furthermore, these activities provide low returns.

As observed in the forgoing chapter, women are less involved in MSEs as compared to their male counterparts. Even in case they participate, they tend to engage in activities least rewarding such as urban agriculture, services, and retailing as compared to males' engagement activities of industry, construction, and metal and woodworks, which yield a reasonable income for future growth. So much so, such interventions are reinforcing the gender segmentation of work and as a result, women are prevalently continuing to dominate least rewarding activities. In general, the interventions being enforced are not making a significant move away from the traditional areas of women's engagement. Thus, the measures taken to enhance the income generating capacity of women follow the long-lived pattern, which is commonly the extension of their domestic chores. In turn, this incidence limits their opportunities for economic wellbeing and future growth. Furthermore, the situation of women in the informal sector is remained unrecognized as there are poor efforts made on collection of statistics to guide the decision of the local government.

Together with the constraints observed so far and costs of livelihood engagements in the informal sector, take huge toll on one's financial, physical, and psychological well-being with both short and long-term implications. Accordingly, in the short term the working poor in the informal sector often have to work excessively for long hours to cover increasing costs of life and still make ends meet. The cumulative toll of being over-worked with low return, the informal self-employed women's human capital will go undermined and this in turn diminishes their physical capital in the long-term.

## 5.2 Recommendations

As this study identified the extension of local supports to women entrepreneurs in the informal sector is limited. As most of the poor are found in the informal sector, disregarding the informal operators eventually discounts the effectiveness of the local government's effort on poverty reduction and local economic development. Thus, the local environment needs to be supportive of the working poor and women in the informal sector. The goal of poverty reduction and enhancement of economic welfare of the poor demands a move away from the present system. To be effective, actions to counter negative influences that diminish the economic power of the poor must be in place. Efforts to support micro-enterprises and women informal operators that focus on micro-finance and business development services need to be maintained, expanded, and improved upon. This requires addressing prominent constraints of women's productive engagements and thereof enhancing their economic resource bases that underpin economic empowerment. Thus, the following specific recommendations are articulated to address the present gap observed in relation to the endeavor of enhancing the economic empowerment of women in the locality.

- Rigorous concern and effort should be extended to enforce the existing rules and regulations that are deliberated to ensure equal participation of women in the scheme of expanding formal employment opportunities to informal sector operators including the self-employed women entrepreneurs through promoting the growth and development of MSEs in the locality. As a case in point, the MSED section of TIO activities should take apposite measures for the enforcement of the rules of organizing micro enterprise entrepreneurial associations. To this end, investigating and identifying the root causes of why women's involvement is low and consideration of the situation of women's lives need to be assessed and incorporated in to rules and regulations that guide the programs of the office in order to ensure flexible conditions that fit to the need and responsibility of women
- Providing flexible rules and regulation of forming entrepreneurial associations that consider the present constraints of women entrepreneurs in complying with the existing regulations vis-à-vis their dual roles of productive and reproductive engagements

- Providing adequate start up capital for women to engage in activities with relative high reward/income generating activities and taking interventions to eliminate the existing custom of gender segmentation of work through aggressively promoting women's participation in such activities as metal and woodwork, small manufacturing, construction and other areas of work that seem to be reserved for male. In addition, providing a successful women role models among the community who engaged in such activities will give momentum to such endeavor
- Providing a fragmented support in such case as offering training services without addressing other dimensions required for sustainable livelihood could pose obstacle on the overall success of empowerment programs of the local government. In due effort, increasing their assets, skills, productivity and competitiveness through an integrated program approach that provides a full range of services such as micro-finance, training, improved technologies and other business development services need to be made
- The limited and/or poor access of the informal self-employed women to formal credit and finance sources must be addressed. Thus, the rigid rules and regulations (requirements) that rendered credit access of most women informal operators infeasible should be reconsidered to fit the needs and situations of women. Further, devising specific financing programs that target women and consider their situations, enable them get the support they need easily and make the economic empowerment of women more practical and feasible
- Making well-informed economic and social decisions require the input of valid data on the subject matter. Accordingly, having data on the rate of participation, size, composition and contribution of informal workers and enterprises will boost the effectiveness of intervention measures for these workers and enterprises. Hence, the present neglect on collecting statistical data on the informal sector should be remedied
- Ensuring women's access to land entitlements by its own right is beneficial. Besides, facilitating the informal women's access to appropriate business premise would enable them to lead a better and sustainable livelihoods. To this end, arranging appropriate and healthy work places with favorable sanitary and infrastructural services such as water and electricity facilities through effective urban area zoning will enable the informal operators lead an adequate standard of living on their working lives



- Supporting and strengthening organizations/associations of informal women entrepreneurs to enable them demand their rights and make claims and influence the policy decisions that shape their lives

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## Annex: I

### *Checklist for mainstreaming gender issues into plans, program elements and Projects*

- *Background information:* How does the plan/project/program affect the lives of men and women? Do women see the issue as a priority? Will the solution contribute to raising the status of women in society?
- *Process of discussion:* Will women participate in the situation analyses? Is the atmosphere suitable for women participation? Are there any leading roles for women?
- *Data and information:* Is it possible to obtain data and information that are sex-disaggregated? Is there additional information that will lead to a clearer picture about the situation of women?
- *Determine objectives:* Are the objectives stated with enough clarity vis-à-vis the improvement of the conditions of women and men? Are the short- and long-term objectives clearly specified?
- *Target group:* Has this been specified? Clearly identify the women that are part of the target group and specify their needs and participation during the different stages of the project;
- *Project design:* Does this facilitate the effective participation of women? Make sure it does. Such questions as where, how, when, must be posed at this stage;
- *Project implementation:* Who will implement the project? How will it be implemented and what is the time frame?
- *Parties participating in the project:* Who is involved in the project? Ensure that women's organizations or gender-sensitive institutions participate in all stages of the project;
- *Announcing the project:* Do the means of advertising reach women directly and clearly?
- *Project contributions:* Does the project contribute to the basic needs of women, training and income-generation opportunities?
- *Special measures:* What are the tools or special measures that need to be used to ensure that the considerations and needs of women are being included?
- *Evaluation:* Did this project achieve its set goal or goals? Was it achieved within the set time limit? Was it carried out in an effective manner? What impact has it made?

## Annex II



## Annex II: Questionnaire

### በጅማ ከተማ መደበኛ ባልሆኑ የንግድ መተዳደርያ ስራ ላይ ለተሰማሩ ሴቶች የተዘጋጀ መጠይቅ

የተከበሩ የጥናታዊ ምርምሩ ተሳታፊ

በቅድሚያ የዚህ ጥናታዊ ምርምር ተሳታፊ ለመሆን ፈቃደኛ ስለሆኑ የአክብሮት ምስጋናን አቀርባለሁ። ይህ ጥናት 'የኢኮኖሚ አቅም ማጎልበትና ጾታዊ ተሳትፎ' በሚል ርዕስ የሚካሄድ ሆኖ በተለይም የፖሊሲ ጥናትና በመደበኛ ባልሆኑ አንስተኛ የንግድ መተዳደርያ ስራ ላይ የተሰማሩ ሴት ነጋዴዎች ላይ ያጠነጥናል። ይህ ጥናትም የሚካሄደው በአዲስ አበባ ዩኒቨርሲቲ □ በቢዝነስና ኢኮኖሚክስ ፋኩልቲ በህዝብና ልማታዊ አስተዳደር የትምህርት ክፍል ድህረ ምረቃ ተማሪ ሙሉ-ነህ ሂደቱ ነው። የዚህ ጥናታዊ ምርምር ዋና አላማ የጅማ ከተማ እና የአካባቢው መስተዳድር የማህበረሰቡን ኢኮኖሚ አቅም ማጎልበት መርሆዎችና ክንዋኔዎች ውስጥ ምን ያህል ፆታን በተለይም መደበኛ ባልሆነ ንግድ ስራ ላይ የተሰማሩ ሴቶችን ከግምት ውስጥ ማስገባቱን መገምገም ይሆናል። የጥናቱ ውጤት በመመርኮዝ የሴት ነጋዴዎችን ችግሮች የሚፈቱና ድጋፍ የሚሰጡ የፖሊሲ መፍትሄዎች ይሰጣሉ።

ይህንን አላማ ከግብ ለማድረስ የእርስዎ መልካም ትብብር እጅግ በጣም አስፈላጊ ነው። ስለሆነም ለዚህ መጠይቅ ትክክለኛና ሀቅ ላይ የተመሰረተ መልስ በመስጠት የበኩሉን አስተዋጽኦ ያድርጉ። በተጨማሪም የሚሰጡት ማንኛውንም መልስና አስተያየት ለሶስተኛ ወገን ተላልፎ የማይሰጥ መሆኑን እና የእርሶም ማንነት በዚህም መጠይቅ ላይ አይሰፍርም። የጥናቱ ውጤትም ሙሉ በሙሉ ለትምህርታዊ ጥቅም ብቻ የሚውል መሆኑን በአክብሮት እገልጻለሁ። መልስ ይሆናል ያሉትን አማራጮች በሳጥኑ ውስጥ ✓ ምልክት በማስቀመጥ ይጠቀሙ። እንደአስፈላጊነቱ ለአንድ ጥያቄ

ለዚህ መጠይቅ ትክክለኛና ሀቅ መልስ በመስጠት የጥናቱ ተሳታፊ ለመሆን ፈቃደኛ ስለሆኑ በቅድሚያ የአክብሮት ምስጋናን አቀርባለሁ።

ክፍል አንድ፡ የመረጃ ሰጪው ገለጻ

1.1 የመረጃ ሰጪው ኮድ \_\_\_\_\_

1.2 ቀበሌ \_\_\_\_\_

1.3 የእድሜ ክልል

- ☐ ከ15 አመት በታች
- ☐ ከ15-19
- ☐ ከ20-25
- ☐ ከ26-35
- ☐ ከ36-45
- ☐ ከ46-55
- ☐ ከ55 አመት በላይ

1.4 የትውልድ ስፍራ \_\_\_\_\_

1.5 የጋብቻ ሁኔታ

- ☐ ያላገባች
- ☐ የገባች
- ☐ በፍቺ የተለያየች
- ☐ ባለቤቷ በሞት የተለያየች

1.6 በሁኑ ወቅት የደረሱበት የትምህርት ደረጃ

- ☐ መደበኛ ትምህርት አልተከታተልኩም
- ☐ ከ1-4
- ☐ ከ5-8
- ☐ ከ9-10
- ☐ የቴክኒክና ሙያ ትምህርት
- ☐ የዩኒቨርሲቲ/ኮሌጅ ምሩቅ
- ☐ ሌላ ካለ ይጥቀሱ . . . .

1.7 በቤትዎ ውስጥ ያሉ የቤተሰብ አባላትን ስም ይግለፁ

| የቤተሰብ አባላት እድሜ | ወንድ | ሴት | ብዛት | ከእርስዎ ጋር ያላቸው ዝምድና |
|----------------|-----|----|-----|--------------------|
| ከ1-4           |     |    |     |                    |
| ከ5-18          |     |    |     |                    |
| ከ18 አመት በላይ    |     |    |     |                    |

ክፍል ሁለት፡ የመተዳደርያ ስራ

2.1 የመተዳደርያ ስራዎት ምንድን ነው? \_\_\_\_\_

2.2 ቀ

2.3 በዚህ ስራ ላይ በአማካይ በቀን ምን ያክል ሰዓት \_\_\_\_\_ ሳልፋሉ?

- ☐ ከ1 ሰዓት በታች
- ☐ ከ1-2
- ☐ ከ3-5
- ☐ ከ6-8
- ☐ ከ9-12
- ☐ ከ12 በላይ

2.4 ይህንን ስራ ከጀመሩ ምን ያህል ጊዜ ሆኖታል? በአመት ወይም በወራት ይግልጹ \_\_\_\_\_

2.5 አዚህ ስራ ላይ ከመሰማራትዎ በፊት ምን አይነት ስራ ይሰሩ ነበር?

☐

ተማሪ

- ☐ ስራ እጥ
  - ☐ የምንግስት ወይም የግል ደርጅት ስራተኛ
  - ☐ ከአሁኑ ጋር ተመሳሳይ የሆነ ስራ
- ላ ካለ ይጥቀሱ . . .

2.6 ይህንን ስራ ለምን እንደመተዳደርያዎ ሊመርጡ ቻሉ

- ☐ ቤተሰብ ምክርና ድጋፍ
  - ☐ በቤተሰብ ግፊትና አስገዳጅነት
  - ☐ ራስን ለመቻል ባለኝ ፍላጎት
  - ☐ ካለሁበት ችግር ለመላቀቅ ( ድህነት)
  - ☐ የተሻለ ገቢ ስላስፈለገኝ
  - ☐ ትንሽ መነሻ ገንዘብ ብቻ ስለሚያስፈልግ
  - ☐ ሌላ አማራጭ በማጣቴ
- ሌላ ካለ ይጥቀሱ . . .

2.7 ይህንን ስራ ለመጀመር ምን ያህል መነሻ ገንዘብ አስፈልግዎት ነበር? \_\_\_\_\_

2.8 ለዚህ ስራ ሊረዳዎት የሚችል ስልጠና ወስደዋል?

- ☐ አዎ ☐ አልወሰድኩም

2.9 ለጥያቄ ቁጥር 2.7 መልሱ አዎን ከሆነ የስልጠናው አላማ ምን ላይ ያተኮረ ነበር? እንዲሁም ስልጠናውን የሰጠው ድርጅት የትኛው ነበር?

2.10 ይህንን መተዳደርያ ስራ ከጀመሩበት ጊዜ አንስቶ ምን አይነት ለውጦችን አሳይተዋል?

2.11 በሁኑ ወቅት የመተዳደርያ ስራዎትን በራስዎ ለመወሰን ምን ያክል አማራጭ መተዳደርያ አለኝ ብለው ያስባሉ?

- ☐ ከበቂ በላይ አማራጮች
- ☐ በቂ አማራጮች
- ☐ መጠናኛ አማራጮች
- ☐ ዝቅተኛ አማራጮች
- ☐ በጣም ዝቅተኛ አማራጮች
- ☐ አማራጭ የለኝም

2.12 መተዳደርያ ስራዎን ለመቀየር ቢፈልጉና ይህንንም ለመተግበር ምን ያህል ይቀለኛል ብለው ያስባሉ?

- ☐ በጣም ቀላል ነው
- ☐ የቀደሰነ የክል ቀላል ነው
- ☐ መካከለኛ

- ☐ በተዎሰነ መልኩ ይከብዳል
- ☐ ፈጽሞ መቀየር አይቻልም

2.13 ይህንን መተዳደርያዎን ለመቀየር ለምን ቀላል ወይም ከባድ ሆኖ አገኙት

- ☐ በቂ ችሎታ ስላላካበትኩ
- ☐ በቂ አማራጮች ስለሌሉ
- ☐ በጾታዊ ምክንያት
- ☐ የአካባቢው አስተዳደር ስላማይረዳኝ
- ☐ በቂ ገንዘብ ስለሌለኝ
- ሌላ ካለ ይጥቀሱ

2.14 አሁን የተሰማሩበት ስራ በቂ የመተዳደርያ ገቢ ምንጭ ነው ብለው ምን ያክልይተማመኑበታል?

- ☐ በጣም እተማመንበታለሁ
- ☐ በተወሰነ መጠን እተማመንበታለሁ
- ☐ መተማመንም ሆነ አለመተማመን ይከብዳል
- ☐ የተወሰነ መጠን አልተማመንበትም
- ☐ በጣም አልተማመንበትም

2.15 ለጥያቄ ቁጥር 2.14 የመልስዎን ምክንያት የብራሩ

**ክፍል ሶስት: የስራ ድርሻና የገቢ መረጃ**

3.1 ከዚህ ስራ በአማካኝ በቀን ምን ያህል ትርፍ ገቢ ያገኛሉ?

- |                                    |                                             |
|------------------------------------|---------------------------------------------|
| <input type="checkbox"/> ከብር 5 በታች | <input type="checkbox"/> ከብር 21-30          |
| <input type="checkbox"/> ከብር 5-9   | <input type="checkbox"/> ከብር 31-40          |
| <input type="checkbox"/> ከብር 10-15 | <input type="checkbox"/> ከ12 በላይ ከብር 40 በላይ |
| <input type="checkbox"/> ከብር 16-20 |                                             |

3.2 ከዚህ ስራ ውጪ ሌላ ስራ አለዎት?

- ☐ አዎ
- ☐ የለኝም

3.3 ለጥያቄ ቁጥር 3.2 መልስዎ አዎ ከሆነ ከሁለተኛ ስራዎ በአማካኝ ምን ያክል ገቢ ያገኛሉ?

- |                                    |                                             |
|------------------------------------|---------------------------------------------|
| <input type="checkbox"/> ከብር 5 በታች | <input type="checkbox"/> ከብር 21-30          |
| <input type="checkbox"/> ከብር 5-9   | <input type="checkbox"/> ከብር 31-40          |
| <input type="checkbox"/> ከብር 10-15 | <input type="checkbox"/> ከ12 በላይ ከብር 40 በላይ |
| <input type="checkbox"/> ከብር 16-20 |                                             |

3.4 ከዚህ በታች የተዘረዘሩትን የቤት ውስጥ ስራዎች ለምን ያክል ጊዜ ያከናውናሉ?

| የቤት ውስጥ ስራዎች<br>አይነት | በየቀኑ | በተወሰኑ<br>ቀናት | ምየሳምን<br>ቱ | በየወሩ | በተወሰኑ<br>ወራት |
|----------------------|------|--------------|------------|------|--------------|
| 1. ህጻናትን መንከባከብ      |      |              |            |      |              |
| 2. ልብስ ማጠብ           |      |              |            |      |              |
| 3. ምግብ ማብሰል          |      |              |            |      |              |
| 4. እቃ ማጠብ            |      |              |            |      |              |
| 5. ውሃ መቅዳት           |      |              |            |      |              |

## 6. የማገዶ እንጨት ማሰባሰብ

### ክፍል አራት: የመረጃ አቅርቦት

- 4.1 ባለፈው ወር ውስጥ ለምን ያህል ጊዜ ስለሴቶች መልእክት ያዘለ ጋዜጣ አንብበዋል?  
☐ አላነበብኩም ☐ ከ4-7  
☐ ከ1-3 ☐ ከ10 በላይ
- 4.2 ስለሴቶች ማንኛውም መልእክት ያዘለ የፌድራል ፕሮግራም ለምን ያህል ጊዜ ያዳምጣሉ?  
☐ በየቀኑ ☐ በሁለት በሳምንት አንዴ  
☐ በሳምንት ለተዎሰኑ ቀናት ☐ በወር አንዴ  
☐ በሳምንት አንዴ ☐ አለዳምጥም
- 4.3 በሴቶች ማንኛውም መልእክት ያዘለ የቴሌቪዥን ፕሮግራም ይከታተላሉ?  
☐ በየቀኑ ☐ በሁለት በሳምንት አንዴ  
☐ በሳምንት ለተዎሰኑ ቀናት ☐ በወር አንዴ  
☐ በሳምንት አንዴ ☐ አለዳምጥም
- 4.4
- 4.5 ባለፈው ወር ውስጥ ምን የክል የስልክ ጥሪ ተቀብለዋል ወይም ጥሪ አድርገዋል?  
☐ የስልክ ጥሪ አላደረግኩም ☐ ከ4-7  
☐ ከ1-3 ☐ ከ10 በላይ
- 4.6 ባለፉት ሶስት አመታት ውስጥ ስለመንግስት አገልግሎት ያልዎት መረጃ ተሻሻሏል?  
☐ ተሻሻሏል ☐ ቀንሶአል  
☐ አልተሻሻለም ☐ ገለልተኛ

### ክፍል አምስት: በማህበር መደራጀት

- 5.1 ከማንኛውም መልኩ የተደራጁ የሴት ወይም የስራ ማህበራት አባል ኖዎት?  
☐ አዎ ☐ አይደለሁም
- 5.2 ለጥያቄ ቁጥር 5.1 መልስዎ አዎ ከሆነ የማህበሩን ስም ይጥቀሱ
- 5.3 ለጥያቄ ቁጥር 5.1 መልስዎ አዎ ከሆነ እነዚህ ማህበራት በምን መልኩ ለሴት ነጋዴዎች ጥቅም ያስገኛሉ?

### ክፍል ስድስት: የንብረት ባለቤትነት

- 6.1 ለግልዎ ሊጠቀሙበት ሚችሉት መሬት (ለማከራየት/ለመኖርያ ቤት/ለንግድ አገልግሎት መስጫ) አለዎት?  
☐ አዎ ☐ የለኝም
- 6.2 ለጥያቄ ቁጥር 6.1 መልስዎ «አዎ» ከሆነ የመሬት ይዞታዎ በምን መልኩ ነው?  
☐ ሙሉ ለሙሉ የግሌ ነው  
☐ ኪራይ  
☐ በአገልግሎት ምትክ  
☐ ያለምንም መሰረታዊ ስምምነት እጠቀምበታለሁ  
 ሌላ ካለ ይግለጹ

6.3 የሚኖሩበት ቤት ...

- ☐ የግሌ ነው
- ☐ ተከራይቼ ነው
- ☐ ይዞታ ማረጋገጫ የለኝም  
ሌላ ካለ ይጥቀሱ

6.4 ለሚሰሩት ስራ የሚያስፈልግዎትን መሳርያዎች

- ☐ በግል አሉኝ
- ☐ ከሌሎች ጋር በጋራ አሉን
- ☐ በግሌ ተከራይቼ እጠቀማለሁ
- ☐ ከሌላ ሰዎች ጋር በጋራ ተከራይተናል
- ☐ ከሌላ ሰው በመዋስ እጠቀማለሁ  
ሌላ ካለ ይጥቀሱ

ክፍል ሰባት፡ ብድር እነ ገንዘብ ነክ ጉዳዮች

7.1 ከዚህ በፊት ለምን ያህል ጊዜ ገንዘብ መበደር አስፈልግዎት ነበር?

- ☐ ለተደጋጋሚ ጊዜያት
- ☐ ለተወሰኑ ጊዜያት
- ☐ አላስፈለገኝም

7.2 ይህንን ብድር ለማግኘት ችለው ነበር?

- ☐ አብዛኛውን ጊዜ አግኝቻለሁ
- ☐ አልፎ አልፎ አግኝቻለሁ
- ☐ ፈጽሞ ለማግኘት አልቻልኩም

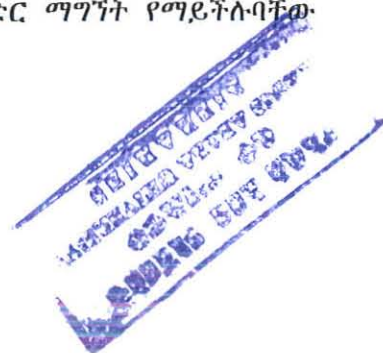
7.3 ከተዘረዘሩት የገንዘብ ብድር ምንጮች የትኞቹን ይጠቀማሉ?

- ☐ ከራስ ቁጠባ
- ☐ ከቤተሰብና ጓደኞች
- ☐ ከአንስተኝ ብድር ሰጪ ተቋማት
- ☐ እቁብ
- ☐ ከመንግስትና የግል ባንኮች
- ☐ መንግስታዊ ካልሆኑ ድርጅቶች
- ☐ ሌላ ካለ ይግለጹ

7.4 ከላይ ከተዘረዘሩትና ሌሎችም የብድር ማግኛ ዘዴዎች መካከል እርስዎ ብድር ማግኘት የማይችሉባቸው የብድር ምንጮች አሉ?

አዎ

የለኝም



7.5 ለጥያቄ ቁጥር 7.4 መልስዎ «አዎ» ከሆነ ከነዚህ ብድር ምንጮች ብድር ማግኘት ለምን አልቻሉም?

- ☐ የዋስትና ንብረት ስለሌለኝ
- ☐ ዋስ የሚሆን ሰው ስለሌለኝ
- ☐ ወለዱ ከፍተኛ ስለሆነ
- ☐ በተለምዶ በማህበረሰቡ ተቀባይነት ስለሌለው
- ☐ መስፈርቶቻቸውን ለማሟላት ስለሚከብድ
- ☐ ሌላ ካለ ይጥቀሱ . . .

7.6 የቁጠባ ገንዘብ አለዎት?

- ☐ አዎ ☐ የለኝም

7.7 ለጥያቄ ቁጥር 7.6 መልስዎ «አዎ» ከሆነ እስካሁን ምን ያክል ሊቆጥቡ ችለዋል?

- |                                    |                                             |
|------------------------------------|---------------------------------------------|
| <input type="checkbox"/> ከብር 5 በታች | <input type="checkbox"/> ከብር 21-30          |
| <input type="checkbox"/> ከብር 5-9   | <input type="checkbox"/> ከብር 31-40          |
| <input type="checkbox"/> ከብር 10-15 | <input type="checkbox"/> ከ12 በላይ ከብር 40 በላይ |
| <input type="checkbox"/> ከብር 16-20 |                                             |

7.8 የሚያጠራቅሙትን ገንዘብ መቼና ለምን ጉዳይ መዋል እንዳለበት ማን ነው የሚወስነው?

- ☐ እራሴ እወስናለሁ
- ☐ ከባለቤቴ ጋር እንወስናለን
- ☐ ባለቤቴ ይወስናል
- ☐ ሌሎች የቤተሰብ አባላት
- ☐ ሌላ ካለ ይጥቀሱ

ክፍል ስምንት: ለራስ የሚሰጥ ግምት

8.1 ሴት በመሆንዎ ምክንያት በመተዳደርያ ስራዎት ጋር የተያያዘ የሚደርስብዎት ችግሮችን አሉ?

- ☐ አዎ ☐ የለም

8.2 ለጥያቄ ቁጥር 8.1 መልስዎ «አዎ» ከሆነ ምን አይነት ችግሮች አሉ ይላሉ?

8.3 ራስ በራስዎን በማስተዳደርዎ ከራት ይስማዎታል?

- ☐ አዎ ☐ አይሰማኝም

8.4 የእርስዎን ህይወትና ፍላጎት ላይ ተጽኖ ሊያመጡ የሚችሉ ውሳኔዎች ላይ ምን ያክል ቁጥጥር ያደርጋሉ?

- |                                   |                                   |
|-----------------------------------|-----------------------------------|
| <input type="checkbox"/> እጅግ ከፍተኛ | <input type="checkbox"/> ዝቅተኛ     |
| <input type="checkbox"/> ከፍተኛ     | <input type="checkbox"/> በጣም ዝቅተኛ |
| <input type="checkbox"/> መካከለኛ    |                                   |



8.5 ባለ ዘጠኝ እርካብ መሰላል አለ ብለው ያስቡ። በአንደኛው እርካብ ላይ የኢኮኖሚ አቅማቸውን ብሎም ኑሮቸውን ለማሻሻል በጣም ዝቅተኛ ዕድል ያላቸው ሰዎች በተጨማሪም በዘጠነኛው እርካብ ላይ ደግሞ የኢኮኖሚ አቅማቸውን ብሎም ኑሮቸውን ለማሻሻል በጣም ከፍተኛ ዕድል ያላቸው ሰዎች አሉ። በዚህ መሰላል ስንተኛው እርካብ ላይ እንኛለሁ ብለው ያስባሉ?

|   |   |   |   |   |   |   |   |   |
|---|---|---|---|---|---|---|---|---|
| 1 | 2 | 3 | 4 | 5 | 6 | 7 | 8 | 9 |
|---|---|---|---|---|---|---|---|---|

ከፍል ዘጠኝ፡ አበረታች ሁኔታዎች

9.1 ከዚህ በታች የተዘረዘሩትን የመንግስት ፖሊሲዎች መኖራቸውን ያውቃሉ?

- ☐ የጥቃቅንና አንስተኛ ንግድ መምርያ እቅድ
- ☐ የአነስተኛ ብድር አዋጅ
- ☐ የንግድ ምዝገባና ፍቃድ አዋጅ
- ☐ የኢትዩጵያ የሴቶች ጉዳይ ፖሊሲ

9.2 አሁን ያለው የመንግስት አሰራር ወይም ፖሊሲ የሴቶችን ፍላጎት ያሟላል?

- ☐ አዎ ያሟላል
- ☐ አያሟላም
- ☐ መልስ የለኝም

9.3 በአሁኑ ወቅት ያለው የአካባቢው መስተዳደር የሴቶችን ፍላጎት ከግምት ውስጥ በማስገባት አንጻር እንዴት ይገመግሙታል?

- ☐ እጅግ ከፍተኛ
- ☐ ዝቅተኛ
- ☐ ከፍተኛ
- ☐ በጣም ዝቅተኛ
- ☐ መካከለኛ
- ☐ መልስ የለኝም

9.4 በጥያቄ ቁጥር 9.3 ለሰጡት መልስ ምክንያቱን ይግለጹ።

9.5 ይህ መተዳደርያ ስራዎት ላይ ተጽኖ ያለው የአካባቢው መንግስት መመሪያዎች(የስራ ህግ፣የንግድ ፍቃድ፣ግብር፣የጤናና የመሳሰሉት) አሉ?

- ☐ አዎ
- ☐ የሉም

9.6 ለጥያቄ ቁጥር 9.5 መልስዎ «አዎ» ከሆነ እነዚህን መመሪያዎች ሁሉ ያለምንም ችግር መተግበር ችለዋል?

- ☐ አዎ
- ☐ አልቻልኩም

9.7 ለጥያቄ ቁጥር 9.5 መልስዎ «አልቻልኩም» ከሆነ እነዚህን መመሪያዎች ለመፈጸም ምን አይነት ችግሮች አጋጠምዎት?

9.8 የእርስዎ እና ሌሎች ተመሳሳይ ሴቶች ለመደገፍ የአካባቢው መስተዳደር ምን አይነት እርዳታዎችን አድርጓል?

- |                                                    |                                                         |
|----------------------------------------------------|---------------------------------------------------------|
| <input type="checkbox"/> ምቹ የሆኑ መመርያዎችን በማዘጋጀት     | <input type="checkbox"/> አስፈላጊ የሆኑ መሳርያዎችን አቅርቦት በማመቻቸት |
| <input type="checkbox"/> የገበያ ቅርበትን በማመቻቸት         | <input type="checkbox"/> የልምድ ልውውጥ መድረኮችን በማዘጋጀት        |
| <input type="checkbox"/> የገንዘብና የብድር አቅርቦትን በማጠናከር | <input type="checkbox"/> ሴት ነጋዴዎችን በማበረታታት              |
| <input type="checkbox"/> ጠቃሚ የስራና የንግድ መረጃን በማቅረብ  | <input type="checkbox"/> ምንም ድጋፍ አይሰጥም                  |
| <input type="checkbox"/> ለንግድ የሚሆን ቦታ በማዘጋጀት       | <input type="checkbox"/> መልስ የለኝም                       |
| <input type="checkbox"/> የንግድ ስልጠናን በማዘጋጀት         |                                                         |

9.9 በዚህ መተዳደርያ ስራዎት ላይ የተጋረጡ እንቅፋቶችን ይጥቀሱ፡፡

- ☐ በቂ መንቀሳቀሻ ገንዘብ አለብኝ
- ☐ በስራው ውስጥ ከፍተኛ ውድድር
- ☐ ስራውን ለማስተዳደር በቂ ችሎታ ማነስ
- ☐ የስራ ቦታ ማጣት
- ☐ የቤተሰብ ድጋፍ ማጣት
- ☐ የቤት ውስጥ ስራ ብዛት
- ☐ ሌላ ካለ ይጥቀሱ

9.10 መንግስት በአነስተኛ በንግድ ስራ ላይ የተሰማሩ ሴቶችን ለመርዳት ቃል በመግባቱ በእርስዎና በተመሳሳይ ሁኔታ ውስጥ የሚገኙ ሴቶች ስራ ላይ ከሁለት አመት ወዲህ የታዩ አመርቂ ለውጥ አለ?

- ☐ አዎ ☐ የሉም

9.11 ለጥያቄ ቁጥር 9.10 መልስዎ አዎ ከሆነ የታዩ ለውጦችን ይጥቀሱ?

ማጠቃለያ፡- ስለጥናታዊ ምርምሩ እንዲሁም ስለማንኛውም ጉዳይ አስተያየትና ቅሬታ ካልዎት እባክዎትን ከዚህ በታች ይጥቀሱ፡፡

## **Annex III**

List of in-depth interview questions for appraising the endeavor in gender mainstreaming in local development planning

### ***1. Access to financing***

- a. Do women have equal access to sources of financing for the start-up of new enterprises?
- b. Do special financing programs exist to help overcome the barriers women face in accessing credit (e.g., lack of collateral)?
- c. Are women able to access business financing as “individual” entrepreneurs, and not just on a peer, mutual-guarantee lending basis?

### ***2. Training and mentoring***

- a. Do women have adequate access to entrepreneurial training opportunities on a local basis?
- b. Are there examples of entrepreneurial training programs targeted specifically to women?
- c. Are efforts made to recruit women for entrepreneurial training programs and training approaches tailored to meet their needs?

### ***3. Business support and information***

- a. Is information available on the take-up of government business support and information services by women entrepreneurs?
- b. Is there a dedicated system of business support for women entrepreneurs (e.g., women’s desk in government MSE agencies; women’s enterprise or business resource centres)?
- c. Are organized vehicles in place for ensuring women having access to information about business support services?

### **4. Women Entrepreneurs’ Associations (WEAs) and women’s access to business networks**

- a. Do these organizations adequately represent the needs and concerns of women entrepreneurs?
- b. Have women entrepreneurs joined together to form their own associations?
- c. Do sizeable percentages of the population of women entrepreneurs have the opportunity to belong to WEAs?
- d. Do WEAs organize regular meetings for members so they can network, learn from each other, and develop cooperative activities?
- e. Does government view WEAs as partners in the objective of strengthening the environment for women entrepreneurs, encouraging more women to start enterprises, and improving their performance and growth outcomes?

#### ***5. Access to Premises***

- a. Do women entrepreneurs have access to adequate and affordable premises to run their enterprises?
- b. Is attention paid to ensuring women producers have access to adequate production premises and up-to-date commercial technologies?

#### ***6. Regulatory and legal environment***

- a. Is there a process for enforcing the implementation of gender policies?
- b. Is there a process for reviewing the impact of the implementation of regulations and legislation on women's enterprise development?
- c. Is information readily available to women regarding the process and benefits of formalizing their enterprises?
- d. Does the government have policies in place to ensure women have access to the economic resources necessary to start and grow enterprises on an equal footing with men (i.e., credit)?

## Annex IV

### List of Officials Contacted

| No. | <i>Name of the Office</i>                              | <b>Name of the Officials</b>              |
|-----|--------------------------------------------------------|-------------------------------------------|
| 1   | The Office of Finance and Economic Development (OoFED) | Ato Mitiku Gugsu<br>W/ro Meselech Simegn  |
| 2   | The Women's Affairs Office (WAO)                       | W/ro Abaynesh Urga<br>W/ro Nebiyat Sharoo |
| 3   | The Trade and Industry Office (TIO)                    |                                           |
| 3.1 | Micro and Small Enterprises Development (MSDE) Section | Ato Mesifin Getachew                      |
| 3.2 | License and Registration Section                       | Ato Asefa Debela                          |