

Ethiopia Calling

The newsletter of *Partners in the Horn of Africa*

Facts About Ethiopia:

Population: 71,000,000

Size: Approximately the size of British Columbia

History: The only African country never colonized by European powers. Christianized in the 6th Century

Religion: Christian 45% and Muslim 35%

Average per capita income: \$120.00

Number of HIV Orphans: 1.5 million



Ethiopian women selling goods in the marketplace with the help of micro-financing loans

In addressing Ethiopia's problems *Partners* has two operating premises: First, 100% of donations go directly into projects in Ethiopia. Administration is done voluntarily with unavoidable hard costs (postage, phones, travel) paid by the directors. Second, with all of our projects our Ethiopian "partner" contributes 15-20% of the overall costs - usually in the form of labour.

Special points of interest:

- Micro-Financing
- Current and Completed Projects

Micro—Financing

Micro-financing programs which give loans to unemployed women so that they can start their own businesses fit nicely into *Partners'* operating philosophy. Administration of the program is picked up by our overseas partner and 100% of our donations go directly to finance loans. Micro-financing also involves the kind of activity *Partners* favours: it "helps Ethiopians help themselves".

Here's how micro-financing works:

1. Our Ethiopian partner, a locally run charity, sets up a savings and loan program with capital provided by *Partners*. Unemployed and underemployed women are then invited to apply for small loans to start their own businesses.

Micro-Financing cont'd

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2. Women who are accepted into the program receive basic instruction in how a small business is run. They then receive an initial loan of \$75.00 - enough to buy goods (agriculture produce, hard goods, etc.) to sell at the local market.
3. Our Ethiopian partner provides an experienced "Credit Promoter" to work with the women, visiting their businesses regularly making suggestions and helping out with any problems that might arise.
4. The women repay the loans on a regular basis out of their income from sales. In addition to repayment, each woman is required to deposit a small amount from her profits in a separate savings account.



The first Micro-Financing loans typically allow women to sell goods on a small scale in a local market



This woman has been able to develop her own business after a series of increasingly larger loans

5. As soon as the first loan is repaid, each woman is entitled to increasingly larger loans - usually up to \$200.00. Women are free to pool their efforts and band together to start a larger enterprise.

Micro-financing programs have been very successful in the developing world. In Addis Ababa, where our Ethiopian partner runs a micro-financing program for impoverished women in the inner-city, there are 361 women enrolled and the default rate over the last six years has been 2%! As the pictures indicate, the women move from small-scale vegetable sales in the local market to eventually running their own businesses (weaving shops, hair salons). The cycle of poverty is broken and the women develop a regular income.

Projects

Partners is nearing the end of its third year of operation—growing faster than we had anticipated largely because of the generous support from individuals in British Columbia and Alberta.

Completed Projects

- Group home for HIV orphans in Addis Ababa
- Skills training (western-style cooking and housekeeping for work in international hotels) of female HIV orphans
- Three footbridges in rural Ethiopia giving access to medical, educational and economic facilities to 35,000 people during the rainy season
- Three elementary and high school improvement projects: adding libraries and installing latrines
- Construction of a Women's Centre to educate rural women about HIV and malaria, and introduce them to basic concepts of hygiene by providing model latrines and showers
- Installation of a flour mill for a high mountain community of 1,500 families so they can mill their own grain and avoid the two-days' journey to the town where milling was previously done

Projects Currently Underway

- HIV Community Education Project in Addis Ababa visiting 3,500 households yearly and holding weekly neighbourhood forums to discuss HIV/AIDS
- Skills Training (building construction and hotel catering) of unemployed inner-city youth in Addis Ababa
- Digging wells to bring clean water to eight villages in drought-plagued areas
- Bringing clean, piped water to a village of 20,000 in the Bale Mountains
- Two micro-financing projects for unemployed and underemployed women
- Placing and subsidizing 40 HIV Orphans with extended family members in rural Ethiopia

New Proposals being considered

- A larger Skills Training program involving 150 HIV orphans and destitute youth in Addis Ababa
- Construction of two elementary schools
- An agricultural irrigation project in a drought-affected area
- Distribution of crutches and braces to the physically handicapped and providing physiotherapy to 400 people in rural Ethiopia

Donations

If you have not already done so this year, now is a good time to make a donation to *Partners*. For two reasons:

1. Donations received before December 31st, 2004 result in a tax credit against this year's income.
2. This is the time when *Partners* approves projects for the coming year, a determination that depends on the funds we have raised during the year.



Partners **is** having an impact in the Horn of Africa. The problems are immense but your donations do make a difference in the lives of many Ethiopians. **On their behalf we thank you.**



Partners in the Horn of Africa

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Partners is a recognized Canadian charity and issues tax receipts for all donations.

***Never doubt that a small group of thoughtful, committed citizens can change the world.
Indeed it is the only thing that ever has. ~ Margaret Mead ~***