

Ethiopia Calling

The newsletter of *Partners in the Horn of Africa*

2006 is *Partners'* fourth year of operations in Ethiopia. With the support of our donors, 20 new projects have been initiated, among them a hospice for homeless AIDS' victims and a home-based silk production project.

All of the projects were true to *Partners'* two basic principles:

- 100% of donations go directly into projects in Ethiopia. Our directors work voluntarily and cover all operating costs.
- All *Partners'* projects have an Ethiopian "partner" who contributes 15-20% of the project cost, usually in the form of labour.



Roza Taha sells her bananas with a micro-financing loan.

Special points of Interest:

- **Inspired Lending**
- **What Ethiopians are saying about *Partners***
- **Canadian Women going the Distance**

Inspired Lending

Alameetu Eshefae is starting to dream big. As the single mother of 7 children, she used to work hard as a maid, supplementing her meager income making tela (the local beer) for her neighbours. Since she has received her first micro-financing loan of 50 birr or about \$7 Canadian, her life has improved. She repaid that first loan and she borrowed more – 450 birr (nearly \$60 Canadian). She now runs a small restaurant and can pay for her children to attend school. This success has spurred

Alameetu on. She is using her profits to rent farmland to grow wheat. Eventually, she wants to own that farmland.

Alameetu is typical of women participating in *Partners'* micro-financing projects. Usually, they are single, widowed or divorced women who are living in dire circumstances before they receive their first loan.

A couple of years ago, *Partners* worked with one of its Ethiopian partners, AWWA, to expand its micro-financing project. Micro-

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A widow, who's a loan beneficiary, selling spices at the market.

financing lends money to very poor women who couldn't go to traditional banks. For instance, someone like Alameetu would have to borrow money from a private money lender at 10% interest a month - 120% interest a year! With **Partners'** micro-financing the interest rate is 6% with the understanding that 2% of the loan amount is put into a personal savings account for the woman. As women repay their initial loan they are entitled to ever-increasing further loans. The concept of microfinance originated in Bangladesh with Dr. Muhammad Yunas, a professor of Economics. This October, Dr. Yunas and the Grameen Bank which he founded were awarded the Noble Peace Prize. It was well deserved. Micro-financing has proven tremendously successful at empowering women in the third world.

In Ethiopia, more than 300 women have applied for and received loans through **Partners'** micro-financing program. **Partners** works with its Ethiopian "partner" and the lo-

cal government to set up the criteria for loan eligibility and the scale of loans. However, a committee of women from the community is elected to control the money and the bank account. The average loan is about 500 birr or \$70.

The success rate of re-payment has been phenomenal. Women such as Amena Alemu, a widow who is looking after her 5 grandchildren re-paid her first loan of 150 birr (less than 20.00). She is using the next loan of 250 birr (about \$35) to increase her range of products in her restaurant. Right now she just sells bread and cheese. She'd like to eventually sell meat products since they are worth more. Before she received the loan, her grandchildren went without meals. Now, with her business, Amena can provide clothes, food and education for them.

For Roza Taha, a young single woman, the loan means she can expand her banana busi-

ness. She received her first loan this spring. Currently she only sells four baskets of bananas on market days, but eventually she plans to open her own store.

With these small loans, Ethiopian women are turning their lives around- not only their lives, but those of their children and grandchildren as well. With the women's success in their businesses, comes a better life and a chance for their families to fulfill their dreams.



Ethiopian mother who opened shop with a loan.

Canadian Women going the Distance for Ethiopian Women

One of the greatest strengths of **Partners** is the grass roots involvement of people both in Ethiopia and here in Canada.

Alison Moscop from Kelowna recognized this when she was visiting **Partners'** micro-financing projects in Ethiopia a couple of years ago. She was inspired that for as little as \$70. you can drastically change a woman and her family's life forever. She committed to raising money in her Okanagan community to expand

Partners' micro-financing program.

Last year she organized the *Great Big Run for Africa*, a 100 km run in British Columbia from West Bank to Enderby. Two runners ran the distance and raised over \$7,000.

This year, Alison decided they would double their contribution and run the 100 km in relays. Fourteen women signed up—the majority of them from the Junior Chamber of Commerce.



2006 Participants of the Great Big Run for Africa

The response from this year's run on October 28th was overwhelming. The runners have raised almost \$20,000 in pledges. For Alison, the day was fun and meant a lot to the women. "They know that the money donated to **Partners** will go directly to the micro-financing projects and will do so much good in Ethiopia."

What Ethiopians are saying about *Partners*

On a recent trip to the North Wollo Region of Ethiopia our new Country Representative, Yehalem Abebe, received the following feedback about **Partners** from Ato Melese, Head of Projects, Qobo Woreda (local government) Office.

"Most of your projects target the most vulnerable: women and children and are bringing about observable changes in the program recipients."

"...given previous experiences with projects financed by *ferenjjs* (white people) elsewhere in this country, we were suspicious that you would dictate to us what to do and how to do things. However, it did not take us long to realize that our suspicions were unfounded. We have witnessed that you have been here to respond to what the community demands, using local technology and know how and actively involving program recipients..."

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.**

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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 ~