

"This document is a preliminary draft that is being posted for the convenience of conference participants. It should not be quoted or referenced to without the explicit authorization of the authors or the conference administrators."

Partnership for Poverty Reduction: The Case of ActionAid Ethiopia

**A Paper presented at the Fourth World Bank Conference on, “Evaluation and
Development: The Partnership Dimension” from 23-24 July 2001 in Washington,
DC. USA**

**Akalu Paulos, BSc, Hdip DevtS, MADevtS
Program Advisor, ActionAid Ethiopia**

July 2001

Abbreviations

AIDS	Acquired Immuno-Deficiency Syndrome
AAE	ActionAid Ethiopia
ACCESS	Appropriate Cost-Effective Centres of Education with in the School System
CRDA	Christian Relief and Development Organisation
CBOs	Community-Based Organisations
DFID	Department for International Development
DA	Development Area
ENGOS	Ethiopian Non-Governmental Organisations
EU	European Union
HIV	Human Immuno-deficiency Virus
INGOs	International Non-Governmental Organisations
NGOs	Non-Governmental Organisations
PRRP	Participatory Review and Reflection Process
UK	United Kingdom
USD	United States Dollar
WISE	Women In Self-Employment

Table of Contents

1.	Background	1
2.	Partnership in ActionAid Ethiopia	1
2.1	Evolution in ActionAid Ethiopia	1
2.2	Types of Partnership in AAE	2
2.3	Processes Involved in Forging Partnerships	3
2.4	The Role of ActionAid in Partnerships Forged	5
2.5	Gains from the Partnerships	5
2.6	Challenges Experienced	5
2.7	The Way Forward for Partnership in ActionAid Ethiopia	6
3.	A Case of ActionAid-WISE Partnership in Generating Employment and Income Amongst Poor Women in Addis Ababa	7
3.1	Background on Poverty in Addis Ababa	7
3.2	The Emergence and program Overview of WISE	7
3.3	Achievements	9
3.3.1	Organising	9
3.3.2	Training	9
3.3.3	Financing	9
3.4	Impact	9
3.5	Future Plans	10
4.	Recommendations	11
	References	

1. Background

Since the 1970s, partnership has been a guiding idea for the quality of relationships that many NGOs are looking for (Fowler, 2000).

The term “Partnership” has been applied to a wide variety of inter-organisational fora where information and resources are shared and exchanged to produce outcomes that one partner working alone could not achieve (Waddell *et al*, 1997).

Partnership happens for several reasons. One such reason is that partners want to scale up their activities and impact. Another reasons could be to learn from the experiences of one another. Yet another reason could be to increase voices and advocate for change. Partnership also happens for the purpose of being cost effective. Partnership is also forged to benefit from undefined opportunities that arise from the process of building the relationship (ActionAid Ethiopia, 2000).

Over the past two decades the quest for partnership has been adopted by many different kinds of development organisations. And today everybody wants to partner with everyone on everything, everywhere. However not every kind of relationship can be called an authentic partnership (Fowler, 2000).

Building authentic partnership requires skills that are very different than those required in the more familiar hierarchical organisations. These include: intensive listening, questioning perceptively, communicating effectively, negotiating power and resource differences, resolving conflicts, critically observing and analysing. The principles of mutual respect, flexibility, transparency, integrity, equality, accountability and compatibility also underlie the building of a true partnership.

There are over 300 officially registered and operating NGOs in Ethiopia that are of local and international origin and of both religious and secular orientation. Many of these NGOs were mainly engaged in executing poverty alleviation programs of their own during most of their existence in the country. Over the last few years however, many are forging collaborative partnership with different stakeholders such as the community, local traditional institutions, local NGOs and local government organisations as their key strategy of poverty alleviation in Ethiopia.

2. Partnership in ActionAid Ethiopia

2.1 Evolution in ActionAid Ethiopia

ActionAid is an international NGO committed to the eradication of poverty and addressing its causes, thereby ensuring lasting improvement in the lives of poor people throughout the world. It is the third largest UK-based international NGO working in over 30 countries in Africa, Asia and Latin America. In Africa, it has long-term development programmes in 14 countries. ActionAid Ethiopia (AAE) is part of the international ActionAid Alliance.

ActionAid started working in Ethiopia since 1989 with a vision of *eradicating absolute poverty and the realisation of social equity and dignity in Ethiopia*. ActionAid Ethiopia’s mission is stated as: *working with poor and marginalized people to*

eradicate absolute poverty and release social equity in collaboration with pro-poor partners.

ActionAid Ethiopia has the following core values: *solidarity with the poor, equity and justice, integrity, quality, and pragmatism.*

From its entry into Ethiopia in 1988 until 1993, although it had an intention of implementing integrated development projects, Actionaid Ethiopia was primarily engaged in direct implementation of a number of sectoral projects with different groups of people, with little focus on sustainable development through group capacity building.

Following the development of the first Country Strategy Paper (CSP) for the period of 1994-1998, working through partnership with other local CBOs, NGOs, GOs, and INGOs became an approach to be pursued actively as ActionAid decided to grow geographically and increase its presence in many parts of Ethiopia. The 1999 Country Program Review further indicated the need to work in partnership as a strategic direction. In its second CSP for the years 2000-2004, working in partnership became ActionAid Ethiopia's strategic goal.

2.2 Types of Partnerships in AAE

In its poverty eradication endeavour in Ethiopia, AAE forms different partnerships. This paper presents the different types partnerships in their order of priority starting with the greatest challenge, though all are important:

The economically poor and the socially and politically marginalized: these are the primary partners of AAE. All these suffer from absence, or insecure access to and control over, resources such as land, oxen, farm tools or credit. They also share with wider communities little or no access to basic preventive and curative health, education, and potable water services. Although it is difficult to single out one particular group among these partners, minorities, women in general and women-headed households seem to be faring the worst.

AAE has made significant progress in targeting and addressing the needs of these groups of people by opening up opportunities for them to improve their health and quality of life by initiating different development programs in a Development Area (DA). The interventions in health, water supply, education, food security and credit have benefited those members of poor and marginalized groups in these DAs where AAE has direct involvement.

Communities: Community members working with AAE in AAE-funded DAs are represented by a variety of groups. These groups include Community Project Management Councils, Anti-AIDS Youth Clubs, Water Committees, and Women Development Associations. The leadership, selected by community members, are usually volunteers from among elders, teachers, members of traditional organisations, women and youth.

Government Offices: AAE is a reputable NGO by government standards in relation to all levels of government. At the most local level, AAE works closely with government

as partner, where the gap between governmental and non-governmental organisations almost disappeared.

AAE has moved closer to local government over the last 10 years with considerable success. It has also exerted some influence on government thinking at Zonal and Regional levels in some places.

Ethiopian Non-Governmental Organisations (ENGOS): AAE has gone into transformation in working with ENGOS. In 1993 AAE was operational in its own two DAs with long term development intervention. At the period of writing of this paper, it supports 11 additional DAs run by ENGOS. Moreover, it supports many projects run by ENGOS on short-term basis. This makes a lot of indigenous NGOs to be stakeholders in the existence of AAE.

AAE also works in partnership with ENGOS on non-project basis. In this capacity it is a member of the executive committee of the Christian Relief and Development Association (CRDA)-a membership organisation of more than 165 NGOs. AAE also chairs some networking groups of CRDA.

Multilateral and Bilateral Agencies: Multilateral and bilateral funding agencies have become virtually all committed to some use of NGOs as development agencies as a matter of principle. Although there had been little support for AAE from multilateral and bilateral donors, AAE has forged partnerships with the European Union (EU) and the Department for International Development (DFID) and has obtained some funds for its poverty eradication initiatives in Ethiopia.

International NGOs (INGOs) Operating in Ethiopia: AAE works in collaborative partnership with INGOs in research on the impact of economic reform on poor households in Ethiopia. The wide adoption of the Appropriate Cost-effective Centres of Education within the School System (ACCESS)-an alternative primary education model by INGOs is one of the successes of AAE in sharing its experiences outside its immediate circle.

2.3 Processes Involved in Forging Partnerships

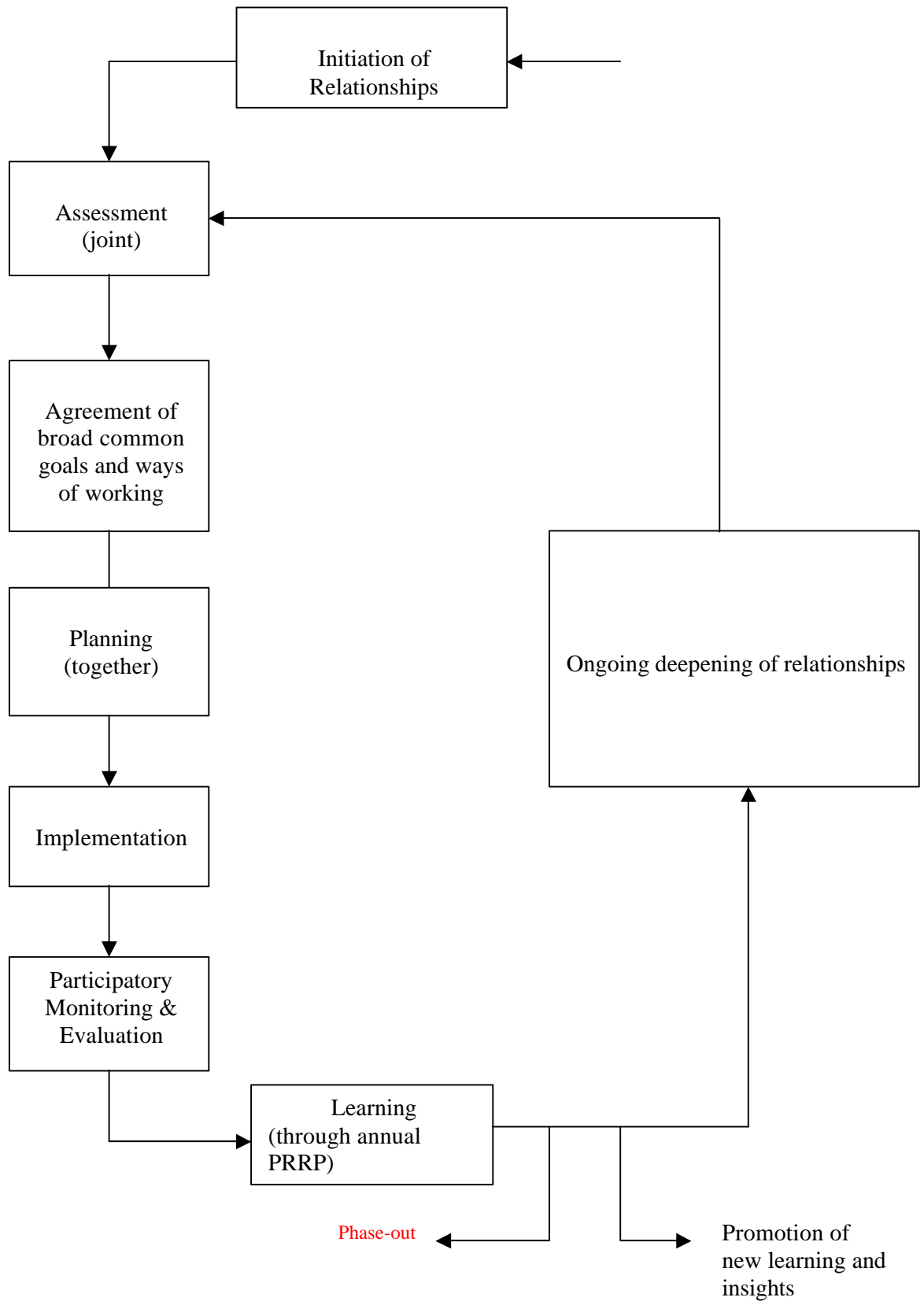
The criteria used by AAE in selecting partners are essentially:

- compatibility of vision, mission and values with that of AAE
- willingness to work in the *Poverty Belt** in Ethiopia AAE identified in its Country Strategy Paper

AAE has identified the essential elements of a *Core Process* in establishing and working developmentally through partnership. And this applies in all kinds of partnership relationships both formal and informal and is the same for working with NGOs as well as CBOs.

*The areas in Ethiopia where the magnitude of poverty is high. This include Afar, Tigray, parts of Amhara, and the peripheral regions, Somali, Gambela and Benishangul-Gumuz

The following figure reveals the *Core Process*:



2.4 The Role of ActionAid in the Partnerships Forged

AAE is perceived as a committed organisation in alleviating poverty in Ethiopia. Moreover, it is viewed as supportive in assisting its partners in building their technical and managerial capacity. It is different from organisations that “simply give funds and require reports”. AAE meaningfully engages its partners throughout the duration of the relationships.

AAE invests in building the capacity of its partners. Over the last seven years AAE has organised and/or sponsored training of staff of ENGOs in areas of saving and credit, management, ACCESS, community-based health care, in HIV/AIDS, gender-analysis, exposure to development programs both within Ethiopia and abroad. This is an expression of commitment of AAE in building the capacity of local partners to lead development in Ethiopia. This positive impression is for AAE to be proud of and gives it special opportunity to promote pro-poor programs, to learn from others, and share this learning experience with a wider audience.

2.4 Gains from the Partnerships

By having worked through partnerships with different stakeholders ActionAid has had a number of gains and lessons learned:

- Enhanced capacity to work developmentally within NGOs and GOs working with ActionAid.
- Ability to work with different target groups using the comparative advantages and experiences of different ENGOs (women, children, people with HIV/AIDS, etc.).
- Enhanced understanding by ActionAid of the different dimensions of poverty by working in different geographical areas with people of different livelihood sources (pastoralists, agro-pastoralists, highland farmers, the urban-poor, etc.).
- Increased voice to advocate for the poor and marginalised through being involved in networks.

2.6 Challenges Experienced

The move from being directly operational to working in partnership with different stakeholder is not without challenges.

- From the out set the socio-political context in Ethiopia defines the role of the INGO as resource provider rather as stakeholders.
- The fact that working in partnership removes ActionAid from its direct link with communities forcing it to learn how to exert appropriate influence over its partners to ensure consistency with its mission, for example in terms of targeting and the quality of engagement with the poor and marginalised.
- While diversification into various forms of partnership is less controversial, it brings with it delicate issues of accountability, confidentiality, and trust. Can AAE claim for its autonomous partners either individually or as a group? Can AAE bring

its experiences of partnership into the public arena to inform the general debate in Ethiopia and beyond without betraying confidence? Can AAE reach through its partners to the experience of the target groups to understand their experience without appearing to be checking on their performance?

- With some partners where AAE funds are provided, government funds are not used. Though this may be seen as a positive response to the given situation, should this restrict AAE to the role of resource provider to the *de facto* government program?
- The sensitivity of playing advocacy role due to gaps in the understanding of development and causes of poverty by AAE and government.
- Balancing demand and supply in providing Organisational Development support to partners.
- With short-term partnerships the projects are too localised and short-term to draw experiences for wider replicability.

2.7 The Way Forward of Partnership in ActionAid Ethiopia

In its Country Strategy Paper for the years 2000-2004 ActionAid Ethiopia has boldly put *promoting partnership against poverty* as one of its key strategies. In so doing AAE has committed itself to work in partnership with others and enhance its efforts towards alliance building and collaboration in all its work. Thus using the particular competencies it has developed over the years in Ethiopia, AAE will strengthen its information base and networking efforts involving international NGOs, bilateral and multilateral and government organisations in order to create common ground for anti-poverty work.

AAE has also committed itself to deepen its engagements with long-term partner NGOs towards greater mutual influence, transparency, learning and joint advocacy. Through adopting greater flexibility in terms of area coverage, size of funding, target population types, sectoral and thematic mix, AAE is set to develop relationships with a wider range of organisations than before.

AAE is also shifting from the conventional service-delivery approach to the rights-based approach to development both in its direct operational interventions and with its choice of other stakeholders and is destined to nurture new partnerships. Toward fulfilling this shift AAE has committed itself to increase its competence in the following areas:

- increase skills of program staff in working directly with the poor and marginalised;
- empowering leadership skills;
- gender analysis skills;
- action research and learning, to feed into advocacy/influencing work and support program learning;
- techniques in NGO partnership to manage AAE's partnership relations more effectively;

- organisation development and capacity building concepts and institution building support;
- impact assessment and associated cost effectiveness analysis skills.

3. A Case of ActionAid-WISE Partnership in Generating Employment and Income Amongst Poor Women in Addis Ababa

3.1 Background on Poverty in Addis Ababa

Of the 15 percent of the population of Ethiopia who are urban dwellers, about 25 percent live in Addis Ababa.

Addis Ababa is estimated to have close to 2.5 million inhabitants. The poverty in Addis is rampant characterised by beggary, plastic or carton shelters, unavailability of clean drinking water, streetism, very poor housing, illiteracy, poor health, very poor sanitation, unavailability of toilets, high unemployment, congestion and lack of basic services and infrastructure.

Women constitute about 51 percent of Addis Ababa's population and over 65 percent of people engaged in informal sector activities in the city. Most of these women do not have a proper place to sit and sell and are victims of actions of clearing informal sector traders off the streets by the police. In addition to lack of capital and place of work, these women lack business knowledge and working time as they are the ones to do the domestic work and child care.

3.2 The Emergence and Programme Overview of the Organisation for Women In Self-Employment

The foregoing reality of Addis Ababa gave rise to the birth of the Organisation for Women in Self-Employment (WISE) as an indigenous NGO in 1997 with a vision of eradicating urban poverty by empowering self-employed women. Specifically the key objectives of WISE are:

- to help self-employed urban women increase their income and thereby improve the quality of their lives.
- to help these women improve their line of trade and thereby secure their employment.
- to create better employment opportunities.
- to bring the women together to discuss their problems and strategic needs and find ways of improving their quality of lives.

The partnership between WISE and ActionAid Ethiopia started from the inception of WISE in 1997 as a sign of commitment of the two organisations to empower poor and marginalised women in Addis Ababa. The two organisations have strong relationships; as ActionAid is the sole financier of WISE's programs. ActionAid also supports WISE through: invitation to its own training program; sponsoring WISE staff for training nationally and internationally; logistic assistance (e.g. vehicles, photocopier, furniture, etc.).

The area in which WISE is currently operating lies in the southern part of Addis Ababa *Woreda* (the name given to an administrative area equivalent to a district)¹⁹, that has a population of 144000 people.

WISE exclusively targets poor women who are in business or would like to start business and become self-reliant. Since its establishment in 1997, beneficiaries targeted by WISE have reached 2500. About 93 percent of these women had never saved money in banks and 96 percent of them never had any access to borrow.

The strategies that WISE has adopted to achieve its objectives are:

- **Organising:** organising poor self-employed women in co-operatives and trade groups and building the institutions to sustain their development efforts.
- **Training:** providing training in entrepreneurship and business skills to equip the women with knowledge and skills that enable them promote their business and training in leadership to enable the co-operatives run their organisations.
- **Financing:** financing savings and credit schemes to provide for working capital, market shelters to secure market places, tools to reduce costs of and improve production, environmental sanitation to provide healthy living and working conditions and small scale projects to provide advice and ensure a steady flow of income for the co-operatives and trade groups.

A number of activities are performed under each component of the strategy. They include:

Organising:

- co-operatives formation: in which groups become ultimately become legally recognised and obtain other forms of support from government.
- trade groups formation: where beneficiaries are organised by the similarity of their traded goods and services so that they can support each other better.
- market unions formation: where beneficiaries are organised in to groups by the similarity of the market places they do their businesses around.
- capacity building: which involves the provision of leadership skills training, the provision of office facilities and income generating ventures.

Training:

The training component emphasised three key areas:

Basic Business Skills Training: which included marketing-improving the quality of product following customers' suggestions, selling products by moving from place to place, varying prices of products to be able to sell more, the use of promotion to attract more customers; business planning and costs-business planning and calculating income and expenditure, understanding the advantage of planning, putting aside a certain amount of money for wages, allocating promotion expenses, reducing business expenses to maximise profit, increasing supply; business management-record keeping, putting aside money for wages from the profit, and time management).

Basic Health Education: with emphasis on HIV/AIDS, environmental and personal hygiene and harmful traditional practices.

Basic Literacy: to enable the women to write and read their own history

Gender: to create within the beneficiary women and the wider public an awareness of the processes that place women in a subordinate position in the society and thereby get the support of all in the creation of a gender sensitive community.

Financing:

The most common activities under the financing strategy are mobilising savings and enabling withdrawals using the co-operatives model which is characterised by low interest rate, flexible repayment mechanisms and has no loan ceiling, providing loans and collecting repayments, securing market places and supporting construction of market shelters, designing tools, producing them and distributing them in a cost-sharing mechanism, financing environmental (markets and residences) sanitation activities and funding small scale projects studies to provide technical advice to beneficiaries.

3.3 Achievements

3.3.1 Organising

Since WISE started operating actively in 1998, about 2500 poor women were reached and organised into groups. About 1800 of these are still active. Twelve co-operatives, eight trade groups and three market unions have been formed so far. Six co-operatives have been able to open their own bank accounts.

One savings and credit co-operative that was supported with a start up capital for a public pit latrine and water line in a market area has become very effective in managing the project with very little support from WISE.

3.3.2 Training

Over 1900 women have been trained in basic business skills. Of these about 500 have taken advanced training in marketing, record keeping and business planning. Over 200 illiterate women are attending literacy classes. Two market studies have been undertaken to provide information and advice to members.

3.3.3 Financing

Over USD 55000 has been mobilised as savings and over USD 150000 has been disbursed as loan. Some beneficiaries have reached the fourth round loan with a ceiling of over USD 300. Few members have been able to secure market places and shelters. Environmental sanitation works have also been undertaken with fourteen pit latrines built in the market and residential areas. Sixty portable market shelters have been provided to women without permanent market places on a cost-sharing arrangement. Hundreds local bread makers have been supplied with fuel-saving ovens. 500 moneyboxes and 130 moneybags were also distributed.

3.4 Impact

As participatory reviews, surveys and observations revealed the major problems of poor self-employed women in the area where WISE is operating in are four: working capital, market place, marketing and health affecting the women's capacity to generate sufficient income. WISE has been attempting to address them through its interventions.

An impact assessment study carried out in October 2000 on the savings and credit and training interventions revealed that most of the targeted beneficiaries found the training and credit facilities as beneficial. In the study the beneficiaries stated that the credit scheme has addressed their working capital needs. They also stated that they have gained knowledge and skills that improved their marketing performance.

About 92 percent of beneficiaries interviewed in the study indicated that the profitability of their business has improved and 86 percent of them stated improvements in their standard of living. Specifically some stated that they have been economically empowered as a result of which they were able to send their children to schools, buy household items, save money, pay for medication of self and family members.

Apart from improved capacity in terms of income and skills, beneficiaries indicated that their consciousness on time management and other important life skills has developed. Many stressed improvement in assertiveness, in generating ideas and power relations in their homes.

Some women who used to earn their living through begging have now become self-reliant, able to send their children to school and generate income to feed their families, rent houses and buy household items.

Quite many have been able to start bigger businesses after acquiring basic knowledge in business and credit for start up.

The literacy and numeracy training has also brought about *light* to the participants.

The leadership training and meetings of elected officials of co-operatives have been instrumental in gradually building the capacity of the co-operatives thereby contributing to the sustainability of the services.

3.5 Future Plans

In its 2001-2003 plan WISE has planned to implement the following activities in its endeavour to empower the women involved in the projects:

- Setting up a Micro-Health Insurance Scheme where beneficiaries contribute some amount of money towards the scheme and referred to certain identified health institutions to get treatment whenever they have health problems. WISE also contributes some finance towards the scheme.
- Women's Micro-Enterprises Development Centre will be established that would cater for the various training needs of women in the area where WISE is operating as well as for training the wider community of women involved in micro-entrepreneurship.

- Establishing a Federation of the Co-operatives to increase the voice of the individual co-operative member to advocate for and claim their rights.
- Be engaged in action research in the area of micro-entrepreneurship to disseminate findings and best practice for a wider audience and to identify issues for advocacy/influencing work

4. Recommendations

Partnership relationships between North-South NGOs and between multilateral and bilateral organisations and national government have ranged from cordial and constructive to the contentious and stalemated. Although there may be real benefits from partnerships when governments and local civil society organisations choose to work together, it is essential to ask what capacities they have for doing so, and what they may need.

The preponderance of resources at the disposal of Northern-based NGOs and multilateral and bilateral donor organisations is not the whole story. Local organisations will possess political, cultural, linguistic, technical and geographic knowledge that larger foreign agencies will lack. Thus all parties will have to adjust their notions and practices of time, space and rhythm if their mutual assets are to be recognised and used. A capacity to negotiate and adjust roles, responsibilities and procedures will be of prime importance, as will the readiness and capacity to mediate and resolve conflict.

Approaches to partnership and capacity building should be systematic, co-ordinated and strategic rather than *ad hoc*, should be responsive to the initiatives of the local partner rather than directive.

Although there are still challenges of working in partnership in Ethiopia the benefits of working in partnership with local institutions to eradicate poverty outweigh the challenges, since working with local institutions is less costly, has a higher likelihood of being sustainable, less threatening to local people and authorities, gives an opportunity to the growth of local civil society institutions which could be vehicles for citizen participation, enhancing participation and representations.

References

1. ActionAid Ethiopia (1993), **A Review of The ActionAid Ethiopia Programme 1988-93**. Addis Ababa, Ethiopia.
2. ActionAid Ethiopia (1999), **ActionAid Ethiopia Country Programme Review**. Addis Ababa, Ethiopia.
3. ActionAid Ethiopia (2000), **ActionAid Ethiopia Country Strategy 2000-2004**. Addis Ababa, Ethiopia
4. ActionAid Ethiopia (2000), **Working Developmentally Through Partnership: Workshop Report**. Addis Ababa, Ethiopia.
5. Fowler A (2000), **Partnerships: Negotiating Relationships A resource for Non-Governmental Development Organisations**. INTRAC Occasional Papers Series, Number 32, Oxford, UK.
6. Waddell, S., Brown, D. (1999), **Fostering Intersectoral Partnering: A Guide to Promoting Cupertino Among Government, Business, and Civil Society Actors**. www.jsi.com/idr/web%20reports/html/13-3.html
7. WISE (2000), **Organisation for Women In Self Employment: Impact Assessment**. Addis Ababa, Ethiopia.
8. WISE (2000), **Plan and Budget 2000-2003**. Addis Ababa, Ethiopia