

Proposal

Project proposal on raising the income of poor households in Damot Woyde Woreda

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The long-term objective of this project is to guarantee food self-sufficiency of poor households in rural areas. Specific objectives include develop entrepreneurial skill of rural households, raise the income of poor households and reduce food insecurity of these households. Major activities to be carried out are training in trading skill, provision of revolving credit service to poor and employment of project personnel. The duration of this project is from January 2006 to Dec 2009. Direct beneficiaries of this project are 5000 individuals from Damot Woyde woreda. Total financial input is 3,981,670 Et. Birr. Expected outputs are 5000 individuals trained in entrepreneurial skill and provided with start up capital on credit basis.

Project Identification

Project name: - Proposal on raising the income of poor households in Damot Woyde

Implementers: -Wolaitta Development Association

Location of the project: -

Country: - Ethiopia

Region: - Southern Nations, Nationalities, and Peoples Regional State.

Zone – Wolaita

Woreda – Damot Woyde

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Fund requested- Et.Birr 3,981,670 , USD 459,777

Project Duration - Jan 2006 -Dec 2009.

Project Beneficiaries- Direct beneficiaries 5000 households

Profile of WODA

Wolaitta Development Association (WODA) is one of the indigenous organizations in Ethiopia. The association has legal license and agreement documents. The association was established in organized form in 2001. Improving the standard of living of Wolaitta people is the major goal it stood for. Since its establishment Wolaitta Development Association (WODA) has carried out several activities in agriculture, education, health, capacity building and other sectors. The following are major past achievements.

- 878 settlers are provided with oxen
- 1 veterinary post was constructed
- 60 youngsters in fishery cooperatives in Lake Abaya were given start up capital
- 32,125 seedlings were planted in Mt. Damota
- 260 cattle were distributed for disabled persons
- 5000 vegetable seedlings distributed for farmers

Education

- 4 primary schools were constructed in Doge Laroso, Bakulo Sagno, Ome Bolola and shola Kodo

Agriculture: The activities executed / done are:

- Assessment of 13,725ha of land for resettlement

- 1 modern public library was constructed in Sodo Town
- 8 primary schools and 2 secondary school expansions were carried out in Boditi, Humbo Tabala, Kindo Halale, Edo Duguna, Kuto Sorpela, Obe Jage, Gurumo Asse, Soddo, Yukara and Suke bakala
- 2 primary schools in Harto Burkito and Areka were maintained
- 3 teachers residences were constructed in Harto Burkito, Anka Wocha and Abela Gafata areas
- 2 schools were provided with furniture
- 535 orphans and poor children are supported in schooling
- 151 students were awarded for their good results in national and college exams
- 84 students are being taught in colleges who were sponsored by WODA
- 8 secondary schools were provided with reference books
- 22 street children were trained in different technical and vocational skills and given seed money

Health

- 5 health posts were constructed in Mundena, Afama Mino, Fango Boloso, Zarada and Bilate Eta
- 1 health post was maintained in Abaya Chokare
- 40 home-based care givers were trained to prevent and control HIV/AIDS
- 12 anti-AIDS clubs were established
- 68 radio programs were transmitted on HIV/AIDS prevention and HTP education
- 20 community based education programs on HIV/AIDS launched at market places and schools
- 90 peoples living with HIV/AIDS were supported
- 80 HIV/AIDS orphans and vulnerable children were supported
- 2 community sensitization workshops on HIV/AIDS prevention and control were launched
- 153 peer educators were trained to handle the activities of HIV/AIDS prevention and control in 153 kebeles
- 38 Youth trained in youth clubs management
- 47 commercial sex workers were trained in peer education
- 50 community conversation facilitators on HIV/AIDS were trained
- Community conversation launched in 13 kebeles
- 5 target health personnel were trained in health service
- Medical equipment and furniture were provided for five health posts.

Capacity building

- 1 recreation center near Lake Abaya is being established sport materials and so on
- 1 woodwork and metal work workshop is maintained
- 15 poor households are provided with housing
- 1 youth empowerment project is launched that has youth
- 294 grass root level associations were formed

- 15 branch offices of WODA were organized
- More than 200,000 WODA members were organized
- One bazaar was launched
- 7 community mobilization workshops were conducted

Water

- 1 bore hole drilled in Bilate Eta
- 1 water supply project completed in Mundena

Background and justification

Wolaitta zone is located in southern regional state. The zone has a total population of more than 2.2 million with land area of 4383.7 km². The zone is composed of seven districts such as Boloso Sore, Offa, Damot Woyde, Damot Gale, Kindo Koysa, Humbo and Soddo Zuriya. According to regional office of population and MEDAC this zone is one of the poorest zones in Ethiopia with per capita income of 729.7 Birr or 85 USD. Out of total population of the zone 46% is child while 52% and 2% are adult and old respectively. From the whole population of the zone 92% live in rural areas engaged in agri-cultural activities, which is the dominant activity. This area is recurrently hit by food insecurity mainly because of population pressure, environmental degradation, erratic nature of rainfall, land shortage, backward agricultural technology (lack of modern agricultural implements and input) and so on.

Damot Woyde, woreda is found in Wolaitta zone in Southern Nations, Nationalities and Peoples' Regional State. The woreda has a total population of 210,546 in 2004 while the total land area is 74,832 ha. This gives the crude density of population of 281 persons per one square kilometer, which is one of the highest in the country.

The mainstay of population of the area is agriculture. However, agriculture is characterized by low productivity. Low productivity and production of agriculture is due to several factors. These are erratic rainfall, poor soil fertility, land shortage, backward farming practices and pest attack. Rainfall in Damot Woyde is variable and inconsistent in nature and this usually results in drought and famine. The woreda is characterized by high land shortage with majority of households having holdings not exceeding 0.5 ha. This has led to over cultivation and overgrazing of the existing land and deforestation of the surroundings which causes environmental degradation and soil infertility. Farmers of the woreda use very old and archaic tools that their forefathers used for centuries for farming their land. Besides, they have no access to modern inputs such as selected seeds and fertilizers. In addition to this there is high pest attack on crops every recreation center, provides revolving fund on petty trading year. These all have led to food insecurity and meager production.

Table 1 shows the crop productivity of the woreda in

Table 1. Crop productivity of Damot Woyde in comparison to the national average

Type of crop	Productivity in Qts per hectare for D/Woyde	National average in Qts per hectare	Variation	Percentae of variation
Maize	15	18	-5	17%
Sorghum	4	12	-8	67%
Barley	5	10	-5	50%
Wheat	7	12	-5	42%
Teff	6	8	-2	25%
Cheak peas	6	8.5	-2.5	29%

Source: WODA Strategic plan Document, 2003

comparison to the national average.

Damot Woyde woreda is highly food self-insufficient area. 40% of the population in the woreda are very poor. The proportion of population getting food from own farm is diminishing from time to time. There are some alternative sources of employment outside agriculture. Currently study made by Concern Ethiopia shows that 40% of poor households get food from purchase while 34% get from food aid. The woreda has suffered from serious droughts in 1973, 1984, 1994, 1999, 2000, 2002 and 2003. These have depleted resources and aggravated poverty. According to different sources recurrent drought and food shortages have impacted negatively on Damot Woyde people and their livelihoods. Many have become poorer, plants and crops died out, livestock resources have depleted, natural vegetation and forest resources were exhausted, many lives lost while some have migrated to different urban centers in search of work. Drought also caused dependency of the people of the area on food aid, reduced people's indigenous mechanisms of coping, done away with decent culture of the people and brought the culture of begging, theft and corruption. Most of the youth that make up nearly half of the total population are unemployed, as there are few job opportunities. Currently the overall economic situation is not promising and the income of rural households is very low to support their livelihood. Especially poor and women are the prime victims of these problems as their capacity to cope with the situations is low.

The challenges mentioned above need some strategies to tackle. One of the strategies includes engagement of the poor households in activities outside agriculture so that they can get income to support their living. In this case trade is one way as it is becoming main engagement of rural households. Studies show that more than 60% of households have members engaged in trading activities. It is through trade that they get income and feed their households. This strategy should be encouraged. To this end, revolving credits need to be provided to poor households so that they can be engaged in petty trading and handcrafts making with some start up capital.

Wolaitta Development Association currently has plann-

ed to undertake a project on providing poor rural households with credits so that they can upgrade their income, be engaged in different trading activities and be self-dependent. To materialize its plan financial constraints have become impediments. So, WODA requests funding in order to reverse the worth situation prevailing in Damot Woyde.

Objectives

General objective

- To guarantee food self self-sufficiency of poor households

Specific objectives

- To improve the trading skill of poor households
- To raise the income of poor households
- To reduce food insecurity of households

Activities

The major activities to be carried out under this project are training on trade skills, provision of interest free credit on different trading activities and employment of project person.

1. Training

Training will be conducted on trading skills and it will be provided to those rural households who are to be engaged in different trade activity. After training they will be ready to receive credit service.

2. Provision of credit

There will be three major trading activities that are to be identified for credit provision. The first is livestock trading. Here the beneficiaries will undergo fattening, small ruminant rearing and livestock production. The second

Table 2. Logical framework.

No	Activities /objectives	Objectively verifiable indicators	Means of verification	Assumption
1	Goal -Guarantee food self-sufficiency of poor households			
2	Purpose - Entrepreneurial skill of poor households upgraded - Income of the poor increased - Food security of poor has raised	By 2009 - The entrepreneurial skill of poor hhs increased from low to medium - Income of poor households raised by 20% - Food security of the has raised from low to medium	Baseline survey, reports of WODA, rural development office and finance and economic development offices	- Donations are available - Collaboration continues from different stage stakeholders
3	Results - Training given to poor - credit provided to poor	- Training given to 5000 poor - Credit provided to 5000 poor individuals in rural areas	Baseline survey, reports of WODA, rural development office and finance and economic development offices	- Donations are available - Collaboration continues from different stakeholders

Table 3. Physical plan for 4 years.

No	Activities	Unit	Total	2006	2007	2008	2009	Remark
1	Training of farmers on trading skills	No of persons	5000	1284	1286	1188	1242	
2	Provision of credit							
2.1	Livestock trade							
	Fattening	No of persons	900	250	250	200	200	
	Small ruminant raising	"	1200	300	300	300	300	
	Poultry trade	"	1000	250	250	250	250	
2.2	Petty trading	No of persons	1750	450	450	400	450	
2.3	Hand craft							
	Weaving	No of persons	75	17	18	19	21	
	Blacksmithing	"	75	17	18	19	21	
3	Monitoring and evaluation							
	Coordinator							
	Supervisor	No of persons	1	1	-	-	-	
	Accountant	"	1	1	-	-	-	
			1	1	-	-	-	

Table 4. Financial plan for 4 years

No	Activity	Total	2006	2007	2008	2009
1	Training of poor households on trading skills	265,000	68,052	68,158	62,964	65,826
2	Provision of credit					
2.1	Livestock trading					
	Fattening	990,000	275,000	275,000	220,000	220,000
	Small ruminant raising	600,000	150,000	150,000	150,000	150,000
	Poultry	300,000	75,000	75,000	75,000	75,000
2.2	Petty trading	1,050,000	270,000	270,000	240,000	270,000
2.3	Hand craft					
	Weaving	37,500	8,500	9,000	9,500	10,500
	Blacksmithing	30,000	6,800	7,200	7,600	8,400
3	Monitoring and evaluation					
	3.1. Employing personnel					
	Supervisor	79,200	19,800	19,800	19,800	19,800
	Coordinator	118,800	29,700	29,700	29,700	29,700
	Accountant	79,200	19,800	19,800	19,800	19,800
	3.2. Purchase of motorbike	70,000	35,000	35,000	-	-
	3.3. Administration cost	361,970	90,493	90,493	90,492	90,492
	Total	3,981,670	1,048,145	1,049,151	924,856	959,518

group will carry out petty trading. Petty trading includes different activities such as grain, cash crop, fruits, vegetables, cereals, etc trading. The third groups members are hand craftsmen who will be engaged in activities such as weaving and blacksmithery.

3. Monitoring and evaluation

For this project 1 project coordinator and 1 supervisor will be employed.

Project methodology/strategy

This project has its own methodology. Some of these are the following.

1. Involvement of the community

The community is the nearest partner to the project. Therefore, they will involve in every step of the project such as selection of the beneficiaries, monitoring the progress of beneficiaries and evaluating the impact.

2. Collaboration of government offices

The government offices are one of the stakeholders in the project. They shall to a large extent participate in over-all project cycle for successful completion of the project. These offices are rural development department, finance

and economic development department and small-scale trade and industry development department.

3. Working in line with current state policy

This project is in line with the food security strategy, agriculture development led- industrialization and sustain-able development and poverty reduction program.

4. Efficient and effective use of resources

The disbursed resources will be used to the point for stipulated purpose so that the project will meet the stipulated goal.

Target group profile

The major targets of this project are female-headed households and poorest households. WODA branch offices in each woreda, woreda offices of rural development, finance and economic development, rural Kebele representatives and community members will select the beneficiaries. These groups of beneficiaries (women and poor) are the highly vulnerable ones to different shocks and as a result need to be the prime beneficiaries of this project. They shall be provided with start up capital on credit basis so that they can be engaged in different income generating (trading) activities to ensure self-dependency. This will raise their income and they shall have resistance to shocks related to food insecurity.

Table 5. Manpower information of WODA

R.no	Position	Level of education	Quantity	Remark
1	General manager	MA	1	
2	Project officer	B ED	1	
3	Health expert	Diploma	1	
4	Agriculture expert	Diploma	1	
5	Community mobilization and promotion expert	BA	1	
6	Administration and finance Officer	BA	1	
7	Engineer	Advanced Diploma	1	
8	Auditor	Diploma	1	
9	Accountant	Diploma	1	
10	Cashier	Diploma	1	
11	Secretary	Certificate	1	
12	Income Collectors	Certificate	13	
13	Driver	3rd driving license	1	
14	Guards	12 complete	3	One is certificate holder
15	Janitor	12 complete	1	
16	Archivist	11 grade	1	
17	Store man	11 grade	1	

Table 6. Action plan for 2006

No	Activity	Q1	Q2	Q3	Q4	Remark
1	Training of poor households on trading skills	X	X	-	-	
2	Provision of credit					
2.1	Livestock trading					
	- Fattening	-	X	X	X	
	- Small ruminant raising					
	- Poultry					
2.2	Petty trading	-	X	X	X	
2.3	Hand craft		X	X	X	
	- Weaving	-	X	X	X	
	- Blacksmithing	-				
3	Monitoring and evaluation	X	X	X	X	X
	3.1. Employing personnel	X	-	-	-	
	3.2. Motorbike purchase	X	-	-	-	-

Project input

The total financial input of this project is 3,981,670 Ethiopian Birr.

Organization and management

Different stakeholders will involve in organization and management of this project. Wolaitta Development Association (WODA) has the responsibility of handling the project through its organizational structure. WODA shall

plan, implement, monitor and evaluate the project in collaboration with other go-vernment offices and beneficiaries. The collaborating offices are rural development, finance and economic development and small-scale trade and industry development offices at woreda and zonal level. These two offices have the responsibility of providing technical support, monitoring the progress and finally evaluating the project. The community shall involve from planning to evaluation of the project. Donating agencies have responsibility of monitoring the progress and receiving the report. WODA shall also report the progress on monthly, quarterly and annual basis concerned to offices.

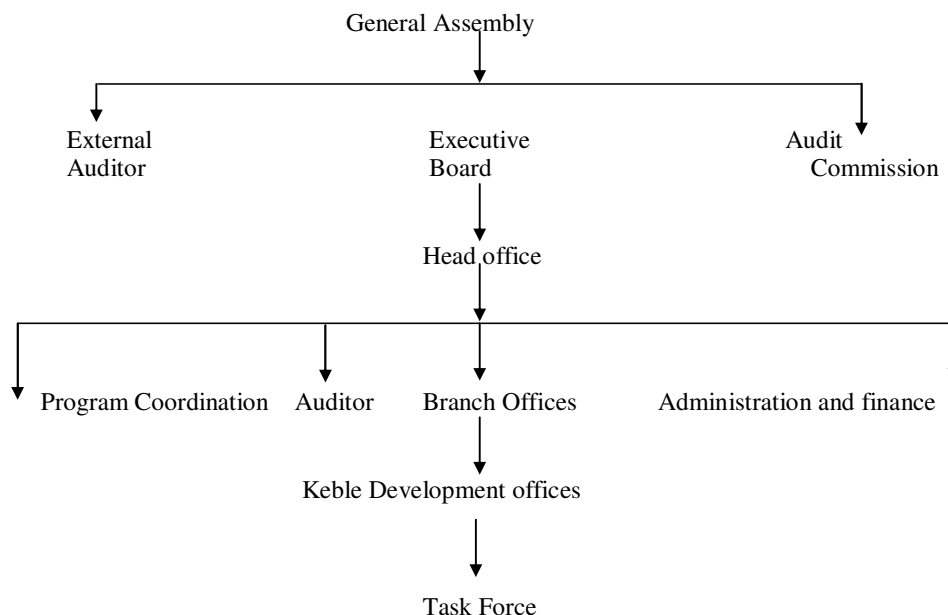


Figure 1. The simple organogram.

Sustainability and phase out strategy

The sustainability of this project can be guaranteed because of several reasons. First this Project involves the participation of different stakeholders especially the community and government offices. These will handle and monitor the project even after the phasing out of the project. Second, the project beneficiaries will have their own income from the credit provided to them as they were engaged in business of their own interest. When they pay back the credit they will continue their own venture with their own money. By doing so they can sustainably support themselves.

Phasing out shall take place through individuals. When the beneficiaries of the project become self-dependent and have their own income phasing out shall take place and those individuals who didn't have the chance before shall be provided with credit.

Assumption and risks

This project has some risks. These include serious drought, disease outbreak and flooding in lowlands. If these occur the beneficiaries may not be fully engaged in their venture and payback the start up capital.