

**EMPOWERING CAREGIVERS TO PROVIDE  
FOR THEIR FAMILIES**

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THANK YOU ANDREW AND ELISABETH



Abebe has opened a small store. She has doubled her income because of your support and her family is no longer living in extreme poverty. She is now able to save each month, which provides financial stability for her family.

## THE DIFFERENCE YOU HAVE MADE IN ETHIOPIA

Compassion, through 13 local church partners in Ethiopia, initially set out to support 843 caregivers to start businesses, with access to loans and training to sustainably and reliably provide for their families.

Instead, through the hard work of the participants, and your support, another 165 caregivers were able to participate in this intervention. This means 1,008 families are no longer in poverty.

Before participating in the intervention, these caregivers earned the equivalent of 44p or less per day, well below the international extreme poverty line of \$2.15 per day. However, through their dedication to starting businesses and your support, their average monthly income has quadrupled to ETB 4,000 per month (\$2.30 per day), putting them above the international poverty line.

Your support has transformed the lives of 1,008 families in Ethiopia, quadrupling their income on average, and launching them out of extreme poverty.

Remarkably, 434 caregivers have already repaid their loans, demonstrating their commitment and financial discipline. This active engagement in various business ventures has fostered a culture of savings among the caregivers. They have collectively accumulated savings of ETB 1,047,266 (nearly £14,000), which shows the incredible impact of the intervention on their financial stability and community development.

“This intervention highlights the church’s capacity to empower caregivers and communities, illustrating that its role goes beyond charity to promoting self-sufficiency.” - Biniam Hailu, Centre Director.

## IMPACT MADE

Despite persistent inflation, political unrest and conflict in Ethiopia, these caregivers have persisted. With your help, their lives have been transformed. This intervention had three main components:

- 🕯️ **SELF-HELP GROUPS:** The 1,008 caregivers were organised into 52 Self-Help Groups (SGHs). These are designed to provide community support and a structured savings programme. The weekly meetings and rotational leadership approach fostered a sense of unity and gave access to business opportunities.
- 🕯️ **SETTING UP BUSINESSES:** Caregivers underwent intensive training sessions on basic business skills, financial management, entrepreneurship, and market linkage strategies. The impact assessment saw notable improvements in the participants' savings habits and community cohesion.
- 🕯️ **MICRO-FINANCE LOANS:** Loans were distributed amongst the members of the Self-Help Groups in turns, after receiving training from a local micro finance institution. Five rounds of loans were disbursed, between ETB 3,000 and ETB 20,000 (£40 - £266), which allowed them to start or expand small businesses.
- 🕯️ **EVANGELISM:** Full-time ministers came alongside the intervention to preach the gospel to caregivers during home-to-home visits.
- 🕯️ **STAKEHOLDER BUY-IN:** The Compassion church partners used to encounter challenges from governmental offices that inquired about ongoing dependency. We have shown how participants are able to be released from poverty sustainably, where they don't have to rely on ongoing support, but can be self-sufficient.



Zenash can now sell clothes to support her family. She has used a loan from her self-help group to expand her business and is now able to save regularly, and support her family.



Some families have started goat-herding to support their families.



Dawit's life, business and family has been transformed by your support. He and his family are no longer living in extreme poverty.

## **ABEBA MORE THAN DOUBLED HER INCOME**

Abeba, while supporting a family of six, has successfully transformed her struggling small street shop business after receiving a loan of ETB 20,000 (£266). Before the intervention, her monthly income was below ETB 3,000 (£40) - challenges such as political insecurity had severely impacted her business.

With the loan, Abeba was able to stabilise and expand her shop. She doubled her monthly income to ETB 7,000 (£93). She also developed a habit of saving ETB 500 each month with her savings group and has been diligent in making regular loan repayments. This financial boost has not only helped Abeba overcome immediate hardships but also set her on a path to sustainable economic stability.

## **DAWIT NOW HAS A PROFITABLE BUSINESS**

Dawit has a family of five. He sells shoes and other materials to make ends meet. Before this intervention, his business was not making a stable income, which made life extremely challenging. Dawit had to borrow money to meet basic needs like buying food.

Dawit's participation in this intervention has transformed his life. He has used loans to expand his business, better manage his inventory, and care to a larger customer base. He now earns more than ETB 2,000 (£27) per month and he has saved ETB 1,700 (£22). This financial stability is a stark contrast to his previous life, and he can now support his family, providing them with what they need to thrive.

## TARNGO DOUBLES HER INCOME

“My name is Tarngo, and I am married and have three children. Previously, my husband worked irregularly as a daily labourer, and our family struggled to meet basic needs. Prior to the intervention, our monthly income averaged less than ETB 1,500 (£20).

However, I had the opportunity to participate in a self-help training organised by the centre. After completing the training and accessing working capital, I expanded my business with the financial support provided. I started selling fast food at my residence. Since then, my monthly income has doubled to ETB 3,000 (£40). “

“Now, we can afford three meals a day, and I feel encouraged by my work and am able to make repayments.”

“At present, I am fortunate to be self-employed by launching a small fast-food venture at my home, which runs smoothly and effectively caters to my family’s basic needs for food and clothing. Through the business, I’ve managed to save ETB 3,800 (£50). Currently, I’m in the process of repaying the third phase loan and aspire to operate my business independently, without the need for further loans.

This intervention means a great deal to me because, without it, I wouldn’t have had any thoughts about the future.

Now, I’m eagerly anticipating expanding my business and increasing my capital with a positive outlook. I perceive this opportunity as a divine provision to assist my family.”



Alem has started a business cooking breakfasts with the loan she was able to obtain from her self-help group. She is now able to support her family.

## THE SDGS

In 2015, UN world leaders set a transformational course for the future of human development by creating the 17 Sustainable Development Goals.

Compassion puts these goals at the heart of our work, to combat poverty and inequality and transform our world. As a leading children's charity with 72 years of unwavering integrity and depth of professional experience, we're passionate about protecting and empowering every child left vulnerable by poverty.

Sustainable development goal eight calls on the world to "achieve full and productive employment and decent work for all women and men, including for young people and persons with disabilities, and equal pay for work of equal value" - through this initiative, together, we will answer that call.



Ainalem is baking injera, a type of sourdough pancake that is very popular in Ethiopia. She has used a loan from her Self-Help Group to build a business baking injera. She can now support her family and is saving each month from her profits.

## “I AM OVERWHELMED WITH GRATITUDE TOWARDS GOD”

Yohannes shares her story:

“Before I joined this support group, I was struggling to make ends meet. Life was a constant battle to provide for my family’s basic needs. We often had to go without essential items, and at times, we had to sacrifice even the most basic necessities, like food for our children. There was a period when we had to borrow money from someone else just to cover our children’s school supplies, clothing, and rent.

“It was a daunting task to manage our finances.”

“When I embarked on this loan support programme, I was initially relieved to be able to continue my work, which allowed me to provide for my family. As a cook, I was able to alleviate the stress of food insecurity for my loved ones, especially when I see the physical transformation of my children. I am overwhelmed with gratitude towards God and the individuals who have supported us along this journey.

As I progressed and gained financial stability, I am able to cover essential expenses such as clothing, school supplies, and rent without any external support.

“I am now able to provide for my children’s basic needs without relying on external assistance.”



Eden's mother is selling eggs in the market. She obtained a 20,000 ETB (£266) loan for the fourth time from her self-group in November 2023 to further expand her business. She saves each month from the income she makes. She earns between 2,500-3,000 ETB (£33-£40) of profit from her business per month.

## BUDGET

ITEM	FUNDING SPENT	LOCAL CONTRIBUTION	TOTAL SPENT
Self-Help Group (SHG) Approach Awareness Training for Caregivers	£1,009.27	-	£1,009.27
Capacity Building Training for 45 SHG Committees	£1,009.27	-	£1,009.27
Self-Help Group Training	£8,238.90	-	£8,238.90
Prepare and Distribute SHG Materials	£1,425.96	-	£1,425.96
Microloans and Loan-based Working Capital to SHGs	£42,778.92	-	£42,778.92
Livelihood Capacity Building Training	£1,009.27	-	£1,009.27
Consolidate Viable Livelihood Activities	£34,784.65	£42,530.23	£77,314.88
Develop the Constitution Manual	£332.72	-	£332.72
Legal Process (facilitation costs)	£426.20	-	£426.20
Local Monitoring and evaluation	£5,149.31	-	£5,149.31
UK Support costs	£24,041.12	-	£24,041.12
<b>TOTAL</b>	<b>£120,205.59</b>	<b>£42,530.23</b>	<b>£162,735.82</b>

This intervention was successfully completed with the help of the funding you generously gave. Local contributions were also a large part of this intervention, as the caregivers and local church partners took ownership of their economic development.



Mershet has started a barber shop to support his family. This intervention has boosted the economies of these communities as all types of businesses were started, from goat-herding, sheep fattening, opening stores selling various goods, barbershops, shoe repair and more.

## THANK YOU, ANDREW AND ELISABETH

This intervention has been transformative for the 1,008 families who participated in it. Lilay, one of the participants and mother to Tsehay comments,

“The intervention has improved my livelihood and I have become self-employed. As a family, we are able to have three meals per day which we used to struggle to have.”

Biniam, the Centre Director at Dire Dawa Child Development Centre also expresses his gratitude, alongside the caregivers who have participated in this intervention.

“I often find myself wishing that those who have supported this intervention could behold the humility and sincerity of the mothers who have benefited from it. I would like to express my heartfelt gratitude.

As a development practitioner, this intervention inspires me with optimism about aiding caregivers in achieving their full potential for transformative impact.”

Thank you. Your support has helped 1,008 families to be released from poverty in Jesus' name.

If you have any questions about this intervention, or similar work that we are doing, please do not hesitate to contact Susi Shears on 07714 363 700 or at [SusiS@compassionuk.org](mailto:SusiS@compassionuk.org)

<sup>i</sup> UN, *Sustainable Development Goals*: [sustainabledevelopment.un.org/sdgs](https://sustainabledevelopment.un.org/sdgs)



“Learn to do *right*;  
seek justice.  
*Defend* the oppressed.  
Take up the *cause*  
of the fatherless;  
*plead the case*  
of the widow.”

**ISAIAH 1:17 (NIV)**



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