



## **Capacity Development: Rural Women Enterprise Development**

### **A model for assessing needs**

The GFAR community of partners has identified rural women's wellbeing as an area of focus for GFAR collective actions. Small enterprise development for rural women has been identified as an effective way to raise their income, to develop their leadership and life skills and to improve their wellbeing and that of their families. However, success will depend on finding the right opportunities and intervention points through the full engagement of rural women and their communities. Models for country studies have been discussed with GFAR Partners, with the goal of assessing gaps before deciding on full interventions with the stakeholders. As a pilot, GFAR started by applying a framework for a needs assessment with rural women in Egypt. This model can then be scaled out to other countries.

The model and research of the conditions of rural women in Egypt with regard to enterprise development has been developed and applied in collaboration with the National Agricultural Research Center in Egypt. The model applied was based on equitable and representative multi-stakeholder participation among all relevant sectors of society in agreeing on the purpose, the methodology of the research and the main questions asked. Rural women representatives and agricultural researchers as well as Private Sector, government, community development organizations, international donors and enterprise development experts met in Cairo to agree on the study and the methodology. The study answered the questions raised and described the situation in 5 governorates in Upper Egypt, focused on the poorest 24 villages. The approach successfully identified the challenges to enterprise development, the needs of the women and solutions from the ground that could support women's enterprise development projects.

The governorates studied were Fayoum, Beni Suef, Minia, Sohag and Luxor. The research targeted two main questions: what factors impacted enterprise development for rural women in these poorest villages? And what is needed, according to the women, to support the development of enterprises that will increase village women's income and improve their wellbeing?

The 76 page report described the challenges to enterprise development in the studied villages and provided recommendations to support women's enterprise development and income generation. These recommendations set out the basis for an integrated plan of action, for investors, international NGOs and those interested in rural community development in Egypt. These recommendations could also be the subject of testing and modifications for similar communities.

### Summary of the report's findings:

The women surveyed emphasized the importance they placed in having been consulted on the development process, where agricultural development and poverty eradication were targeted. The report defined the main objective of comprehensive rural development in Egypt as the achievement of better standards of living for rural populations through ending poverty and unemployment. This goal can only be achieved through equal participation of rural women in the agricultural value chains and by strengthening the key role women currently play in agricultural production.

The types of small enterprises available in rural Egypt were described under one of the following categories: 1) basic activities such as agriculture and animal breeding, 2) agri-food industries including producing final or intermediary products, and 3) service provision to the agricultural sector such as packaging and transportation. The most common were identified as: food related home enterprises such as fruit and vegetable drying, lentil processing, jam and honey production, or non-food related enterprises making use of agricultural products, such as rug making, leather products, silk production, sewing, basket making and embroidery. The report emphasized the importance of home enterprises and provided examples on how to strengthen them through the roles of rural women leaders.

The report summarized previous research on the subject in Egypt and outlined the main challenges to enterprise development. These were mainly the lack of information on available loans, complicated loan eligibility criteria and high loan interest rates, poor extension services, a lack of knowledge of enterprise development, and technical agricultural knowledge, improper storage and packaging of products, lack of marketing access and marketing skills, lack of accounting skills and inexperience with tax management. The resulting recommendations cited research projects focused on reducing the interest on loans, simplifying the procedures for obtaining loans, providing marketing training and information, using multi-media to transfer information, supporting the youth and women in marketing their products, strengthening the role of cooperatives in providing technical and financial support to rural women and youth, ensuring State subsidy of feed and reviewing tax regulations when it comes to youth and women small entrepreneurs.

### Main Research Findings:

1. Numbers of rural "single" mothers: Minia 30% of respondents, Fayoum 15%, Beni Suef 19%, Sohag 10%, Luxor 9%.
2. Age of respondents: 18 to 25 (15%), 26 to 33 (33%), 34 and above (52%).
3. Literacy level among respondents: Illiterate (52%), 1 to 5 years of education (44.4%), 6 to 9 years of education (3.2%), above 10 years of education (.4%). It is to be noted that compulsory education is 9 years, however poor families regularly violate this law. It is also to be noted that Minia has the highest rate of illiteracy (63%) but also has good distribution in other categories: (24% 1-5 years of education), (11% 6 to 9) and 2% above 10 years of education.
4. Number of family members in the household: 45.8% below 7, 42.6 between 7 and 13, 11.6% above 13 with the highest number in the last category in Sohag.
5. Number of those who work in the family: 78% less than 3, 18.2% between 3 and 5, 3.8% more than 5.
6. Family monthly income: 85% between LE400-500 (USD 1.5 – 1.8/day), 11.6% between 500-800 USD 1.8-3.0/day), 4.4% above 800 (above USD 3.0/day)
7. Preferred training subjects: 75% mentioned vegetable drying and processing, 60% sewing, 36% fruit preserves and jams, 33% tomato sauce, 14% bakeries, 8% ceramics and pottery, 7% handicrafts. These are

the averages and there are differences among governorates that can be considered when tailoring programs to the need of each governorate.

8. Women prefer small business enterprises: 42% mentioned vegetable drying and processing, 34% jams and fruit preserves, 33% sewing shops, 32% beekeeping, 31% raising poultry, 29% raising cattle, and 15% mini-mart.
9. What is required to start a small business: 96% mentioned funding, 2.4% need training and 1.6% need space/facilities.
10. Information needed by women: 42% non-traditional feed, 32% sources of loans, 14% sources of quality seeds.
11. Role of women and extension leaders: 77% said no role, 9% need awareness on poultry diseases, 13.4% want information on food drying and processing, 6% look for information on small enterprises, 4% training on handicrafts 14%.
12. Main economic activities that women assume, if available, will give them employment opportunities: 49.8% food drying and processing factory, 44.8% tomato paste factory, 43.2% Dairy products factory 29.6% Sewing shop.
13. Available agricultural resources in the governorate that can be used in small business: 38% of vegetables, 25% of dairy and, 5% fruits.
14. Marketing difficulties: 25% of food gets spoiled before reaching the market, for 6.6% the distance from market is too great, 2.2% fear a market monopoly.
15. Best way of communicating agricultural information: 54% face to face, 24.6% TV programs, 20% phone, 1% Radio programs.

#### Main challenges identified by the women surveyed:

1. Lack of work opportunities and high level of unemployment among rural women and their family members
2. Prevalent illiteracy among rural women
3. Lack of skills
4. The negative multi-dimensional impact of poverty on the family
5. Prevalent chronic diseases among rural women reducing ability to work
6. Norms that may hinder joining training opportunities or starting an enterprise
7. Market monopoly
8. Distance from the markets
9. Poor infrastructure
10. Difficulty of loan procedures and loan eligibility requirements, which are usually difficult for rural women to meet
11. Short loan pay-back period and high interest rates
12. Use of child labour to increase income, which led to female children dropping out from schools.

#### Main Recommendations from the study are:

1. Establish projects that offer real work opportunities to rural women in the poorest governorates of Egypt. It is recommended that these projects depend on the raw material available in each governorate. Suggested projects are dairy products, food-industries, sorting, drying and packing of fruits and vegetables, and handicrafts from agri-products.
2. Encourage and support villages to become "specialized productive villages" in domains of production, manufacturing, services or marketing, according to the resources available to each village.

3. Strengthening and improving extension services and training centers to develop the skills of rural women working in agricultural or non-agricultural activities.
4. Providing start-up funding to small and extra-small income generating projects and train, mentor and supply technical expertise while helping with marketing.
5. Establish marketing and selling venues in the adjacent villages, in collaboration with the Ministry of Agriculture.
6. Build on the native intelligence of rural women to introduce relevant digital communication in transferring and exchanging information
7. Provide information through specialized agricultural network and mobile phones
8. Establish a fund to provide healthcare for rural women in collaboration with the civil society, including regular monthly medical caravans.
9. Ensure harmonization of efforts between the civil society and the respective Ministries to the benefit of rural women's development and wellbeing.
10. Ensure that training is demand-driven and is followed by evaluation, impact assessment, work opportunities and marketing of products resulting from the skills acquired.
11. Motivate rural women to join the training through emphasizing the psychological, social and economic impact on the woman and her family
12. Raise awareness through meetings and workshops on the issue of food waste and increase productivity through home enterprises.
13. Introduce change to norms that hinder enterprise development through workshops led by civil society and specialized extension staff.
14. Train female rural leaders in both technical and communication skills, so that they participate in the development and change of rural societies.
15. Expand numbers of training units targeting development of the skills of rural women in modern agriculture and food-industry.
16. Use the support of farmer organizations and NGOs in transporting agricultural and dairy products to the market in a timely manner to avoid food spoilage and waste.

These recommendations are now being taken forward by the development of an integrated programme of innovation and enterprise, linked with wider development loan investments and led by the villages concerned, local universities and other supporting institutions, working through multi-stakeholder innovation platforms