



WOMEN'S EMPOWERMENT
MAINSTREAMING
AND NETWORKING

Spearheaded by
 **Oxfam Novib**

Promoting Empowerment of Women and Gender Equality through Integrated Microfinance, Value-chain Support and Gender Capacity Building

***-- The Case of Bukonzo Joint Cooperative Microfinance Service Ltd
(Uganda)***

by

Getaneh Gobezie

Gender and Rural-finance consultant

Feb – 2013



WEMAN Vision

*A world where **women and men** are able to
realise their full potential as economic, social
and political actors,*

free from all forms of gender discrimination,

*for **empowerment** of themselves, their
families, their communities and global
humankind.*

Contents

Abstract

Introduction

Study Objective and Approach

Programme area and Context

Bukonzo Joint Cooperative Microfinance Ltd (BJCMF) – Approaches, Services and Products

Rural-finance Programme

Value chain Support

Capacity Building Programme

Promotion of Women Empowerment and Gender Equality?

Conclusions and recommendations

Annex

ABSTRACT

Interventions aiming at empowerment of women leading to gender equality rarely succeed for failure to design programmes that are suitable to the local context. The programme under investigation, supported by Oxfam-Novib's Women Empowerment, Mainstreaming and Networking (WEMAN) programme, provides integrated services of rural finance, value-chain support as well as capacity building on gender, based on participatory methodologies and leveraging existing rural finance group forums as a platform, as well as systematic deployment of voluntary labour and effective peer-to-peer learning. Dramatic changes are being registered towards gender equality at household level and beyond in terms of increased women control of resources such as land, and sharing of household responsibilities with spouse in a context such as that part of rural Uganda where serious gender in-equality has been part of the rural cultural system for generations. Yet, to scale-up and sustain women empowerment and gender equality at community-wide level, it looks like more integrated efforts need to be exerted at markets as well as (formal and informal) institutions that sustain and/or re-enforce gender in-equality.

Key words: gender, empowerment, rural microfinance, value chain, GALS methodology, PRA

Introduction¹

The disadvantaged position of women due to higher poverty incidence and unequal power relationships with their male counterparts and wider community has been a source of debate over the past several decades. Women make essential contributions to agriculture in developing countries. Women comprise, on average, 43 percent of the agricultural labour force in developing countries, ranging from 20 percent in Latin America to 50 percent in Eastern Asia and sub-Saharan Africa (FAO 2011). Their contribution within the household is also significant. Yet, their roles are largely unrecognized, and women's access and control over resources is limited. According to the 'bargaining model' (which recognizes the possibility of both cooperation and conflict of relationships), this lack of resources would mean that within the *household*, women often have lower 'fall-back position' (or lower 'welfare' in the event of a breakdown of marriage) and therefore they would be obliged to be subservient to and accommodate the interest of their male counterparts in order to save the marriage from breaking down (Osmani, 1998). Inequitable distribution of benefits at household level, particularly in ways that do not reflect the actual contribution of each household members, results in *low motivation and incentives to work*, or failures in collaboration, and hampers the maximization of capacities of household members, thus seriously constraining not only the individual and economic development of women themselves, but also the entire development of the community (Sen, 1990; Sebstad and Manfre, 2011). It is also argued that the existing unjust structure lead to discrimination in household resource allocation against young girls, who are often viewed as having little prospect of leading a successful life and supporting parents in future (Armendariz and Morduch 2005).

Microfinance advocate, and indeed those working on development interventions in general, however, argue that by creating opportunities to such poorest segments of society to raise their incomes, services like microfinance can lift the constraints that force households to make such life-and-death choices in regard to girl discrimination; and by improving economic opportunities to women, one can change the economic value of females within the home and society. This can also contribute to development and poverty alleviation efforts. Microfinance/microenterprise opportunities have therefore been expanding in poor countries, targeting particularly women to promote empowerment as well as for economic growth and poverty alleviation objectives (the theoretical framework is given on Annex 1)..

Studies, however, give very contrasted results (Armendariz and Morduch 2005). Some studies report positive findings, measured through various indicators such as access to consumption, health care and contraception, improved decision-making power and better spatial mobility,

1 The author, Getaneh Gobezie, is an independent Gender and Rural-finance consultant, now serving as an expert at Women Entrepreneurship Development Programme (WEDP) wing of the Private Enterprise Programme Ethiopia (PEPE). He is grateful to the Women's Empowerment, Mainstreaming and Networking (WEMAN) programme (www.wemanglobal.org) of Oxfam-Novib for financing the research. He is also thankful for the valuable input and critical comments received from Dr. Linda Mayoux (international consultant, and author of the GALS Tool), Thies Reemer (WEMAN programme Manager) and Jeanette Kloosterman (Oxfam Novib, senior policy adviser). All errors and omissions, however, are his own, and can be communicated at e-mail: getanehg2002@yahoo.com

access to property, and a decrease in domestic violence. In contrast, other studies have pointed out a number of negative consequences, both within households and on a wider scale (Guérin, I, Santosh Kumar and I. Agier, 2010). Indeed, there is increasing evidence that, at best, such services helped women to fulfill their immediate and pressing '*practical needs*' of ensuring food security for themselves and of family members, for example. However, gender equality advocates argue that confining the analysis of **gender inequality** to these achievements alone serves to convey the impression that women's disempowerment is largely a matter of poverty and indeed, the impact of these services on women's long-term strategic needs – gender equality -- remain uncertain (Mayoux and Hartl, 2009, Kabeer, 1999). It is argued that this is because, among other things, products and service in *minimalist* approaches more often than not, are poorly designed, top-down, in a 'one-size-fits-all' modality and little integrated with other essential microenterprise and awareness creation services. There are now new efforts to rectify challenges in traditional intervention approaches.

Study objective and approach

This study aims at analyzing the performance on promoting women empowerment and gender equality of a microfinance cooperative, Bukonzo Joint Cooperative Microfinance Ltd (BJCMF), in rural Uganda, which has tried to combine microfinance service along with support to farmer production and marketing, complemented by a capacity building programme on gender.

The approach followed for the study was:- desk analysis of relevant document; interview with microfinance resource persons and persons involved in design/implementation of the additional intervention (on site and virtual); interviews and focus group discussion with clients. A total of 17 FGDs and more individual interviews (totalling 224 participants, 75.4% women) involving mature and incoming clients have been conducted.

The next section would highlight on the context of programme area, followed by details of the programme activities, and then some of the outcomes on empowerment of women and gender equality. The final section concludes.

Programme area and Context

Kyahlumba sub-county is found in South West Uganda within Kasese district and is located along the Equator, at the foothills of Mount Rwenzori, bordering the Democratic Republic of Congo in the West. The population is estimated to be about 500,000 people, growing at a rate of 3.6%, with an average of 4.9 people per household. Uganda in general has a majority of young population, where over 51% of the population is under 15 years age (Regina, 2010). This area was devastated by the Allied Democratic Front (ADF) rebellion which begun in 1996. This rebellion greatly affected the livelihood and economy of the people. Since 2004, the lives of the people in Kyahlumba is returning rapidly back to normality from displaced camps to more settled life with a fast growing agricultural focus (PROCASUR, 2011). Like most districts in Uganda, the area is predominantly agricultural, relying on farming for employment and income. Majority are basically subsistent farmers, involved in coffee and honey as cash crops; cassava, beans, matooke, maize as food crops; poultry, goats, sheep, pigs as income generating activities (BJCMF, 2006). Agricultural production is potentially high owing to the rich soils and reliable rainfall, but lack of proper information about markets and technology denies farmers the opportunity to produce and sell their produce at a profit (PROCASUR, 2011).

The area is isolated because of previous armed conflict, insecurity, poverty and location. There is little infrastructure and communication network to stimulate business transactions. In this part of remote rural Uganda, *barter trade* is still common. Small traders (middle men and women) move around, house to house, looking for those who need items which are regularly used in household consumption, typically oil, rice, fish, salt, etc and barter them in exchange for coffee from the households. There seem to be no standard for the exchange, on quality or quantity. So it all depends on the negotiation potential and information of those participating in the barter. The discussion with some of the locals reveal that normally middle men take advantage of the farmers, not only by lowering the price of the coffee, but also by under-scaling the quantity.

Particularly in rural areas like Kyalhumba, there are significant gender inequalities. For example, while land is a critical resource for over 90% of the households in Uganda, women own only 16% of the registered land and have control only over 25% of the land they cultivate. Despite some government efforts to improve gender relations through introducing laws, traditional practices persist (Regina, 2010). Traditional clans play a fundamental role in social and cultural life. Clans determine property ownership, its transfer, gender relations, marriage system, etc. According to culture a woman is not supposed to own land and can not have her name on the land's title. Land belongs only to men. If a parent (father) dies, he will transfer the land to the son and not to the daughter. If the sons are too young, the land will be returned to the control of the family of the late husband. Even if a woman can buy a piece of land, and has no husband, but remains with her parents, the parent (especially the father, or someone) would put his name on the land title.

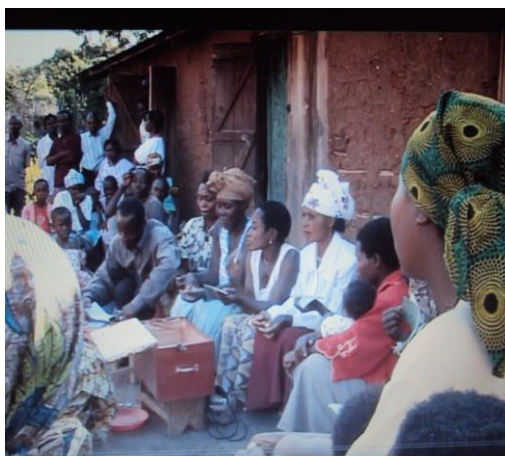
According to local tradition, a man can marry a woman paying 12 goats as a 'bride price'. Once she is married, the wife is the property of the husband, so the man assumes a right to claim that she needs to serve him properly. She is also expected to provide as many children to the man. In case husband and wife separate or divorce, the children remain with the (family of the) husband. Polygamy is legal in Uganda, according to traditional and Islamic Sharia law, and is common, whereby one man can have more than one wife (typically 4-6 or more wives) who rarely live in one home. Women have no legal course of action to prevent their husbands from taking another wife. This has been the norm in that part of Uganda, motivating men to have many children providing security at old age (Regina, 2010).

Bukonzo Joint Cooperative Microfinance Ltd (BJCMF) – Approaches, Services and Products

Bukonzo Joint Cooperative Micro Finance Society Ltd (BJCMF), a self owned Microfinance Cooperative, was founded in 1999. It serves poor remote farming communities in Bukonzo county, Kyalhumba Sub-county which has been marginalized in the past. The central focus of the cooperative's operations is to offer sustainable financial, production, marketing and capacity building services to economically disadvantaged people, majority of whom are basically subsistent farmers. BJCMF is committed to empowering the rural poor, and ensuring that they are active participants in the economic, social, and political development of Bukonzo county. The organization is delivering a range of services to the local community, through Self Help Groups (SHGs) and Primary Cooperatives, which can be formed by voluntary members numbering 15-35 (SHGs), and 30-100 or more for cooperatives. Services are managed by three operational departments – microfinance, production & marketing, as well as capacity building. BJCMF has permanent staff who are paid monthly salaries, but it also make use of voluntary staff, who played the critical role of initiating the idea of founding BJCMF.

Rural-finance Programme

In Uganda in general, lack of access to financial services is one of the biggest obstacles to development. Only 38% of Ugandans have access to financial services (Regina, 2010). The access problem is especially true for the rural population, particularly women and small scale farmers, as growth in the financial sector has tended to concentrate on the densely populated urban and peri-urban areas. There are very few bank branches in Kasese district. In the late 1990s, the only bank (Uganda Commercial Bank and Uganda Cooperative Bank) servicing rural



Self Help Group Meeting

areas collapsed and created a huge financial services gap for people in this region. Though some banks like Stanbic, Barclays exist in the region they are concentrated in Kasese town which is 58 kilometres away from the programme area of Kyalhumba. A number of major microfinance institutions like BRAC, PRIDE and Equity also operate in Uganda, but seem to have no foothold in the mountainous region (PROCASUR, 2011).

So BJCMF commits itself to facilitate financial services through carefully contextualized approaches. When a group of people want services of BJCMF (may be from promotion/marketing of services or from the words of mouth information from the localities) they can apply for such services at BJCMF office. For those groups who reached the minimum required number, training can then be

given on:- group mobilization (formation), group dynamics, by-laws setting, cooperative formation, savings and credit, cash flow management, etc. These groups can then be encouraged to start mobilizing their own savings, and exercise loan activities. Solidarity groups (of 5-7 members) co-guarantee each other when taking loans from their Self Help Groups or Savings and Credit Cooperatives. Normally, before SHGs and cooperatives are allowed membership and buy shares from BJCMF, they have to pass through a certain preparatory phases or incubation time. This will continue for at least one year, whereupon BJCMF staff can come and investigate the maturity of such groups to a level of joining BJCMF as a member.

Group meetings are held weekly or bi-weekly, where all members gather to do savings, pay loans, discuss on issues including on how members are progressing on their business, as well as get some more training or information from BJCMF volunteers, etc. Members decide who can take loan, how much and for how long. Loans amounts are normally a multiple (2-4 times) of members savings, repayable within less than a year. Groups at meetings also discuss on individual cases, e.g., women who have difficulty in dealing with their husbands, etc. And such women with difficulty can get advise or support on how to deal with such husbands. Sometimes, women groups visit the husband and try to influence him. Groups have strict by-laws (also known as 'group constitution') to be governed by. In addition to the social sanctions that apply, monetary fines are common.

Given the limited access to financial services and the plight of the poor due to poverty, BJCMF has emphasized the access of financial services to such segment of the society. Indeed, women tend to form the biggest (over 85%) recipients of microfinance services. On the other hand, although most other programs target women alone, BJCMF has adopted a strategy of incorporating both men and women in services through gender focused trainings. BJCMF

serves 7 primary cooperatives and 89 Self Help Groups, totalling 96 groups. These groups have a total of 3887 members (of which 85% are women) who have acquired skills in savings culture.

Value chain Support

The available financial services enable the farmers to save and access loans, which enables them to increase production and provide them the 'liquidity' option so that they would not be forced to sell their crops at relatively lower price to middle men whenever they are in need of immediate cash. BJCMF is also trying to assist its members in modern production, processing and marketing of key commodities such as coffee. Farmers get this



Farmers Watching coffee weighted

technical support through trained volunteers, and they are also encouraged to sell their produce to Bukonzo Farmers Marketing Cooperative (BFMC, managed under BJCMF) rather than to middle men. Such prices are normally higher than those offered by middle men, average increment being about 10-15%. The coffee offered by the farmer is stored at BJCMF existing farmers' house storage facility for further sorting, processing, transporting to Kampala market, or to direct export to European or American markets. The high valued coffee (well processed, sorted, graded) with the highest grade is exported, while the remaining is sold at Kampala.

Farmers are encouraged to buy shares and join the marketing cooperative with in BJCMF, so that as a farmer they can also enjoy additional BJCMF's production and marketing services, such as: regular monitoring by skilled entrepreneur trainers, technical agricultural trainings, record keeping on farming, etc. These farmers can also receive agricultural inputs such as: hoes, spades, pruning saws, tarpaulins, etc, which are bought (based on the needs and requirements of the farmers) from the individual dividend calculated at the end of every year. Whatever amount of dividend above the input cost would be added to the share of that individual farmer. To promote economic empowerment of women, 60% of the dividend goes to women's share, while the remaining 40% goes to men's share. Farmers are always informed of the prevailing coffee price which is passed on local FM radio station, at churches, and also regularly posted at BJCMF storage. All these efforts not only enable the farmers to fetch the maximum price and proper weighting for their coffee, but also results in a great deal of improvements on the quality of coffee at the export market.

Capacity Building Programme

Capacity building is run by volunteer workers along side the permanent, salaried staff. The core Bukonzo East Training Team (BETT) trainers (at head office) lay out procedures of the whole capacity building and follow-up. The team, gender balanced, is composed of expertise in specialized fields -- in microfinance and in production and marketing, both integrating the Gender Action Learning System (described below). They also run the function of creating the capacity of the BETT "entrepreneur trainers" who are not permanent staff, but are paid based on their specific field performance. The latter, in turn, train and give back up support to "community volunteers" who work at the very grass-root level. These experienced community trainers are very knowledgeable about the locality, culture and practical field work in the community, and actually move house-to-house, sensitize and mobilize people to form groups,

etc. The last level of community sensitization is undertaken peer-to-peer, by group members themselves. The knowledge obtained at different group level training is disseminated to the community at large through various community forums, cultural occasions, word-of-mouth, etc. These whole structure and the established system has provided effective way to facilitate information exchange and mutual learning in the community very cost-effectively, and at the quickest (shortest) time possible.

Empowerment of women and ensuring gender equality is the key programme objective. Although it is well recognized that empowerment comes from within, inputs and supports to promote the empowerment of women can facilitate women's articulation of their own needs and priorities, helping them to play a more active role in promoting these interests and needs (Kabeer, 2001; Johnson and Sharma, 2007). The capacity building programme is mainly based on Gender Action Learning System (GALS), which is an adaptation for gender of an earlier generic PALS livelihood development methodology, originally developed in consultation with the community by Linda Mayoux. GALS was developed under Oxfam Novib's WEMAN 2 programme, and BJCMF was one of the major contributors to the development of the tools and peer learning system.



Livelihood Plans in Pictorials

The key premise in GALS is that microfinance can take the lead role, serve as **entry point**, in promoting gender issues at grass root level. The microfinance sector has a relatively powerful leverage point to encourage and/or enforce implementation of improved practices because it can establish stronger link with clients, not only because there is still a huge demand for valuable financial services in many circumstances, but also because financial services (more so than other sectors, e.g agricultural extension, health, etc) demand that there be close communication, monitoring and frequent interaction between service provider and clients (Freedom From Hunger, 2012, Magner, 2007). That is, on the one hand service

providers have their money in the hands of the poor which they have to monitor regularly, and poor people also need to check on the performance of the other group members which they co-guarantee, as well as check the safety of their savings with the institution. Contacts are thus so regular, can be daily, and often weekly and monthly meetings are a must. In particular, the fact that clients come in groups means that the cost of having to visit individual client (or '*beneficiaries*', as the case may be) for service delivery, particularly in remote areas with difficult infrastructure, and lower population density, is reduced hugely. The few available studies on the additional costs of using such 'group forums' as platform for complementary awareness creation and/or service delivery indicate that this is only about 6-10% of existing microfinance operating cost in Bolivia, Burkina-Faso, Mali, Togo (Morduch and Haley, 2002), and in the range of 0.12-3 USD per client per year in India (Freedom From Hunger, 2012).

Capacity buildings are thus managed at group forums and mainly utilizes clients 'waiting-time' -- the time when clients gather for savings and credit operations and are waiting for their turns for

2 Women's Empowerment Mainstreaming And Networking (WEMAN) for gender justice in economic development. A long-term programme of Oxfam Novib. The 'basic' GALS was developed from 2008-2010, and from 2009 (with support from IFAD) a specific GALS methodology for value chain development was piloted by BJCMF, also in collaboration with Linda Mayoux.

loan disbursements or savings collection. Discussions are facilitated, by creating the opportunity for participants, women and men, to openly debate differences and similarities on perception on gender equality, in terms of individual 'rights', 'responsibilities' and 'opportunities', by invoking such key issues like *'what and why they like/dislike being of a particular sex'*, potentially leading to a consensus or new agreement on many of the gender issues between the two sexes. The GALS is fundamentally a capacity development methodology and focuses upon improving the **agency** of women and men (defined as *the ability to define one's goal and act upon them* (Kabeer, 2001)).

The debate would lead participant members to analyze their current situation, relationships, opportunities and challenges, reflect upon it, envision their individual and household life and livelihood circumstances, and plan strategies and actions how they can change it, as well as track and monitor. While normally microfinance clients' business plan is expected to incorporate the cost of micro-project, expected benefit, market availability, etc, such 'business plan' is expanded to include specific gender issues, for example how, and by whom, the increased income would be used, how increased responsibility due to the new business would be shared among household members, etc. Importantly, communication with participants, majority of whom cannot read and write, is facilitated through use of pictorials, graphics and simple drawings instead of written forms. Symbols and colours are also important communications tools in GALS participatory methodology.

Such plan remains with participants, and thus is accessible to all members in the household (including children) for viewing and reviewing any time, providing an on-going participatory space, thus promoting confidence and sense of ownership. BJCMF not only does training on various topics, but also does 'monitoring' at least monthly if families have been doing on their livelihood plans. Visited families would be reporting using pictorials, for example on how household activities have been shared, how income has been generated, and by whom, how expenditure has been made, and for whom (boy/girl, etc).

Promotion of Women Empowerment and Gender Equality?

An attempt has been made to see some of the changes that the service has brought on programme participants compared to those who did not receive such a service. Following the AIMS/USAID methodology (The AIMS Team, 2001), this can best be managed by using 'in-coming' clients as comparison (or control) group in order to avoid problem of *'selection biases'*. That is, to measure the difference in outcome between an individual who received the services from the programme and what the outcome *would have been* for the same individual if he or she *had not received* the service, we take as control group incoming clients -- those who chose to receive the service and therefore are *not inherently different* from the 'mature' programme participants (those who have been with the programme for over five years) in terms of entrepreneurial abilities, willingness to take risk, ability to find and use information, etc; and yet, since they are just joining they do not possibly observe any impact from the programme.

A total of 17 FGDs (women group, men group, mixed group) and 6 individual in-depth interviews have been conducted, totaling 224 participants (147 mature and 77 new, or in coming, clients – but data from two new groups were later dropped during verification, making the number 61). The discussions were facilitated in such a manner that they allowed participants a lot of space to present their cases, changes in their livelihoods, gender relations, benefits of services they receive, challenges, way forward, etc. BJCMF has tried to identify some local indicators of empowerment identified through 'participatory method' and community consultation through the

GALS participatory methodology. Some of such indicators include:- whether land is owned by and registered in the name of both spouses i.e **joint land ownership** (which also include ownership of major income sources such as coffee;) how household members **share work load**, the **education of children**, etc. These indicators have been investigated in the field work.

As outlined previously, BJCMF has been in operation since 1999, all its efforts towards gender equality at household and community level, supported by GALS capacity development exercised since 2009. Such efforts are bearing some fruits. From the FGDs and individual interviews that have been conducted, it was clear that some 20.5% mature clients have already made **joint land agreements**, and others (some 15.7%) are also in process of doing so. This implies that in total some 36.4% of mature women clients (not including women-headed households) managed to

ensure joint legal land titles with their male counterparts. BJCMF's internal records also indicate that in total those women who manage to get joint land agreements with their spouses and/or land titles of their own reach 76%. In comparison, only some 8.2% of new or recent clients are enjoying this. No wonder that even new or recent client groups have started joint land agreement -- it was clear during the discussion that although the later group were not formal clients of the BJCMF programmes (and therefore did not receive 'formal' training from Bukonzo staff), some of them have already been inspired by ideas on joint land agreement from the peer-to-peer information and wisdom that they can get from neighbours who have got formal training and counselling.



Focus Group Discussion

The land agreement have also been part of a wider change. One of these is starting sharing of household chores which in itself is a big step, as it could not have been imagined in that local context a few years ago. The field work revealed that some 43.3% of mature clients are already equally **sharing household activities** while the figure is 24% for the comparison group. Again, the effect of years of peer-to-peer learning has greatest influence in this case too. Sharing of household activities means that husband and wife have joint plans on household activities, indicating which activities would be managed by wife, and which ones by the husband, and which ones jointly. From the discussion it was clear that some of such activities where the 'changed husbands' (as they are locally labeled) took part include: fetching water, cooking, cleaning the house, grazing animals, washing the child, digging terraces, farming, collecting firewood, etc. The changed men also reports feeling of greater happiness and sense of fulfillment as fathers and husbands who are now much more loved, better 'bedroom' and generally a greater sense of self-worth (Mayoux and Gobezie, 2011). The study demonstrated conclusively that the GALS is remarkably powerful in unseating powerful cultural norms that have existed for generations.

It was clear though that given the local context, gender equality, and even such issues as coming to a status of agreeing on 'joint land ownership' does not materialize so easily, and would essentially take some time, years of negotiation and bargaining. Respect to women and collaboration develops gradually as women continue to develop the self-esteem. Kabeer (2007) reported this same issue from various contexts. According to her study, '*... in some cases, the shift in decision-making was from 'norm-governed' to 'negotiated' decision-making, in others from male-dominated to joint or female dominated decision-making*'. In the Bangladesh context,

where microfinance has been in operation for some decades (with a major focus on women), 'bargaining between spouses is characterized by non-cooperative behavior within marriage (Dowla and Barua, 2006).



Sharing Household Responsibilities

The field work has also tried to assess if there are any changes on attitude towards the would-be women, i.e., young girls, and to see if there are some changes on **children education**, particularly if there is any change on equal treatment of both the boy child and the girl child. However, the study found out that there is no significant difference between the mature clients and the comparison group, both in terms of sending children to school, as well as in the treatment of the boy child and the girl child. From the data, over 80% of primary school-age group children in both group actually attend primary school. Given that particularly primary education is becoming 'universal' in many countries, and perhaps the relatively lower potential economic contribution of a

child in the given economic context, it may not be surprising that there is no major difference between the two groups, and the same can be said about the equal treatment issue. On this issue, previous serious researches also attest to the fact that the discrimination against the girl child in Sub-Saharan countries, even in very poor ones, is not as serious as in the South Asian and other countries (Sen, 2001, 1990, 1987). However, that doesn't exclude the real challenge at later age stages. The real difference in the change of household decision about education of their children, and equal treatment of both sexes, would be more evident when it comes to 'higher' level of education (e.g higher education, diploma, degree) as such levels require some real household commitment. This often may require sending the children out of the rural area in the nearby town where the college or university is located, meeting expenditures for meals, text books and other essentials, payments to the colleges, as well as foregoing potential economic contribution of the child to the household. Future studies may need to focus on this.

Conclusions and recommendations

A decentralized model of community-owned microfinance, such as BJCMF is practising, seems very suitable for the rural areas in the Rwenzori mountains. The members or clients of the cooperative have a greater role in organisational decision making, and client ownership ensures sustainability of the service. The group lending modality provided a forum for strengthening mutual support networks and social security structure, as well as a potential platform for delivering multiple services demanded by the poor cost effectively. BJCMF's programme has integrated microfinance with production and marketing support services, thus ensuring that the cooperative members produce high quality and quantity agricultural products (such as coffee) as well as gain the maximum price for their produce than can be offered by local middle men. The introduction of the Gender Action Learning System (GALS) plays a particularly key role in facilitating gender analysis and discussion by participating household members, thus creating a great opportunity for participants to openly debate differences and similarities in their perception on gender equality, often leading to a consensus or agreement on most of the issues. All the visioning and planning activities are based on drawings of simple diagrams, graphics or symbols (instead of a formal writing on paper). This not only provides an inclusive environment for people who can't read or write, but also facilitates efficient group discussion, planning, quantification and monitoring. Much of the awareness creation is managed by local people and

voluntary labour, as well as peer-to-peer learning, resulting in a cost-effective way of information dissemination. Positive results are being observed in the sub-county where the traditional system maintains and provides the upper hand for males in terms of property ownership and household and community leadership role. Notable are real positive changes on key local empowerment issues, such as joint land ownership, or sharing of household responsibilities. Such good practice need further strengthening and scaling up.

However, BJCMF still works with majority (85%) women. Working on a majority of women alone is no guarantee to ensure sustainability of women empowerment and gender equality objectives. Attracting more of men, and working with them as 'role models' of new practice from the patriarchal and rigidly hierarchical notions of masculinity that they are taught from boyhood, can greatly facilitate changing social and economic fabric, offering other men opportunities to redefine their own identities and positive engagement. Perhaps it would be helpful to start such effort with people at relatively younger age. Yet, the challenges faced by the poor in many communities such as poverty and inequality are results of many decades of biased development policies. Thus isolated interventions can not, on their own, afford solutions or provide all the necessary services to support the livelihoods of the poor, or fill every deficiency in rural infrastructure, and communication, skill gap, business environment, etc created by decade of (men-) biased, development policies in the past. More affirmative and integrated actions are needed to enhance effectiveness of markets and institutions (formal and informal) toward gender equality. This should clearly demonstrate effectiveness of women as income earners, leaders, etc if opportunities are created for them, and enhance household perceptions of the value of daughters as potential supporters at old ages, and not as burdens. Enabling environment should also be created to build coalitions that mobilize around reforms through facilitating women's groups to be a driving force for greater gender equality, as well as to promote women to leadership positions which is still structured and dominated by 'old-boys club'.

ANNEX 1

Rural Micro-finance and empowerment: Potential virtuous spirals

The expansion of microfinance since the 1990s has significantly increased women's access to facilities for small loans and savings. This increased access to microfinance has been seen as contributing not only to poverty reduction and financial sustainability, but also to a series of 'virtuous spirals' of economic empowerment, increased well-being and social and political empowerment for women themselves, thereby addressing goals of gender equality and empowerment. Most microfinance providers can cite case studies of women who have benefited substantially from their services – both economically and socially.

First, increasing women's access to microfinance services can lead to their economic empowerment. Women's roles in household financial management may improve, in some cases enabling them to access significant amounts of money in their own right for the first time. This might enable women to start their own economic activities, invest more in existing activities, acquire assets or raise their status in household economic activities through their visible capital contribution. Increased participation in economic activities may raise women's incomes or their control of their own and household income. This, in turn, may enable them to increase longer-term investment in and productivity of their economic activities, as well as their engagement in the market.

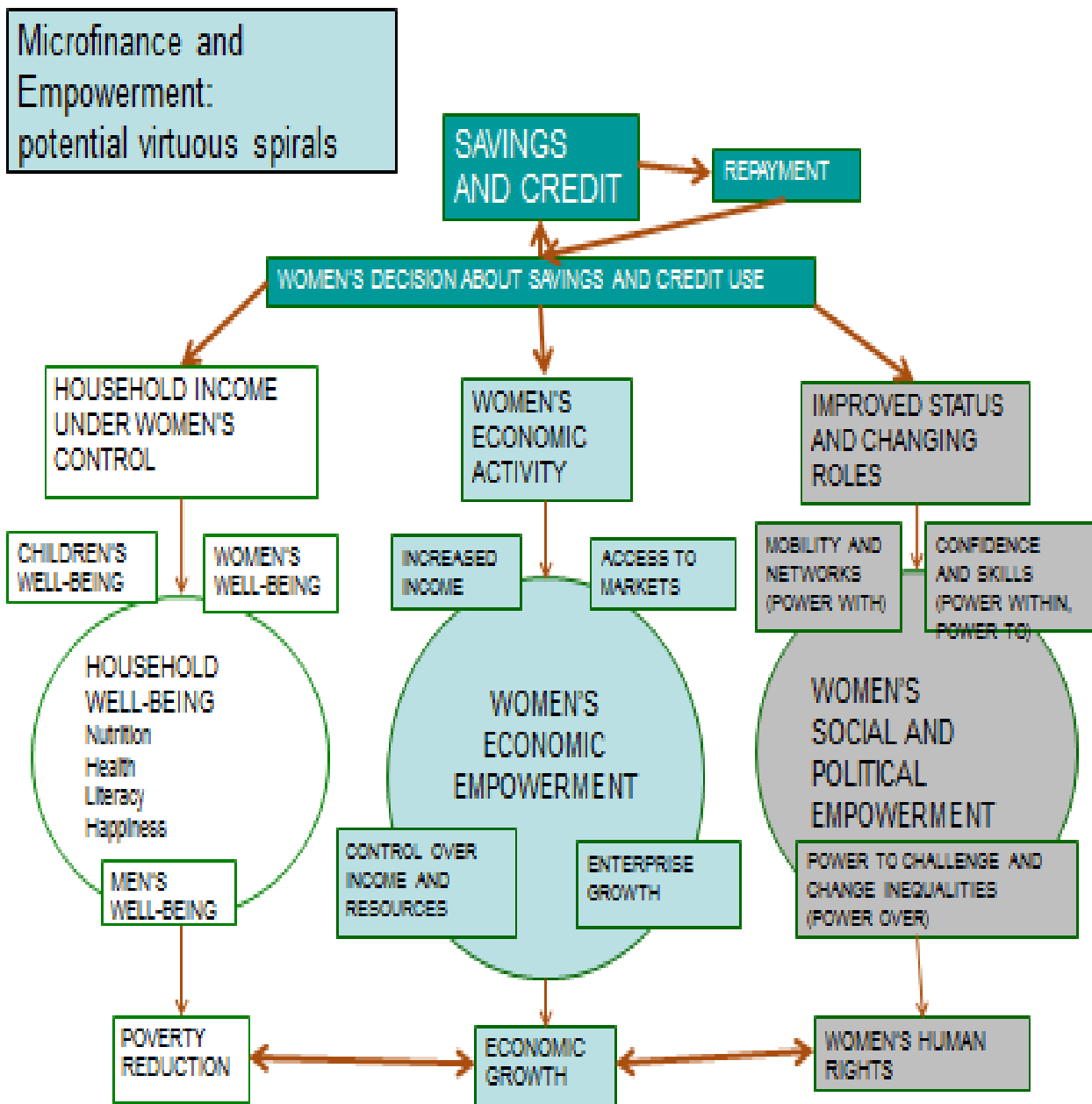
Second, increasing women's access to microfinance can increase household well-being. This is partly the result of economic empowerment, but may occur even where women use microfinance services for the activities of other household members, for example husbands or children. Even where women are not directly engaged in income-earning activities, channelling credit or savings options to households through women may enable them to play a more active role in intra-household decision-making, decrease their own and household vulnerability, and increase investment in family welfare. This may benefit children through increasing expenditure on nutrition and education, particularly for girls. It can also lead to improved well-being for women and enable them to bring about changes in gender inequalities in the household. It is also likely to benefit men as a result of the increased household income.

Third, a combination of women's increased economic activity and increased decision-making in the household can lead to wider social and political empowerment. Women, themselves, often value the opportunity to make a greater contribution to household well-being – giving them greater confidence and sense of self-worth. The positive effects on women's confidence and skills, their expanded knowledge and the formation of support networks through group activity and market access can lead to enhanced status for all women in a community. In some societies where women's mobility has been very circumscribed and women previously had little opportunity to meet women outside their immediate family, there have been very significant changes. Individual women who gain respect in their households may then act as role models for others, leading to a wider process of change in community perceptions and men's increased willingness to accept change.

Finally, women's economic empowerment at the individual level can make potentially significant contributions at the macro-level through increasing women's visibility as agents of economic

growth and their voice as economic actors in policy decisions. This, together with their greater ability to meet the needs of household well-being, in turn increases their effectiveness as agents of poverty reduction. Microfinance groups may take collective action to address gender inequalities within the community, including such issues as gender violence and access to resources and local decision-making. Higher-level organization may further reinforce these local changes, leading to wider movements for social and political change and promotion of women's human rights at the macro-level. Some NGOs have used microfinance strategically as an entry point for wider social and political mobilization of women around gender issues. Savings-and-credit groups have at times become the basis for mobilizing women's political participation. Moreover, these three dimensions of economic empowerment, well-being and social and political empowerment are potentially mutually reinforcing 'virtuous spirals', both for individual women and at the household, community and macro-level.

The following chart highlights this framework (Mayoux and Hartl, 2009)



ANNEX 2

The GALS Methodology

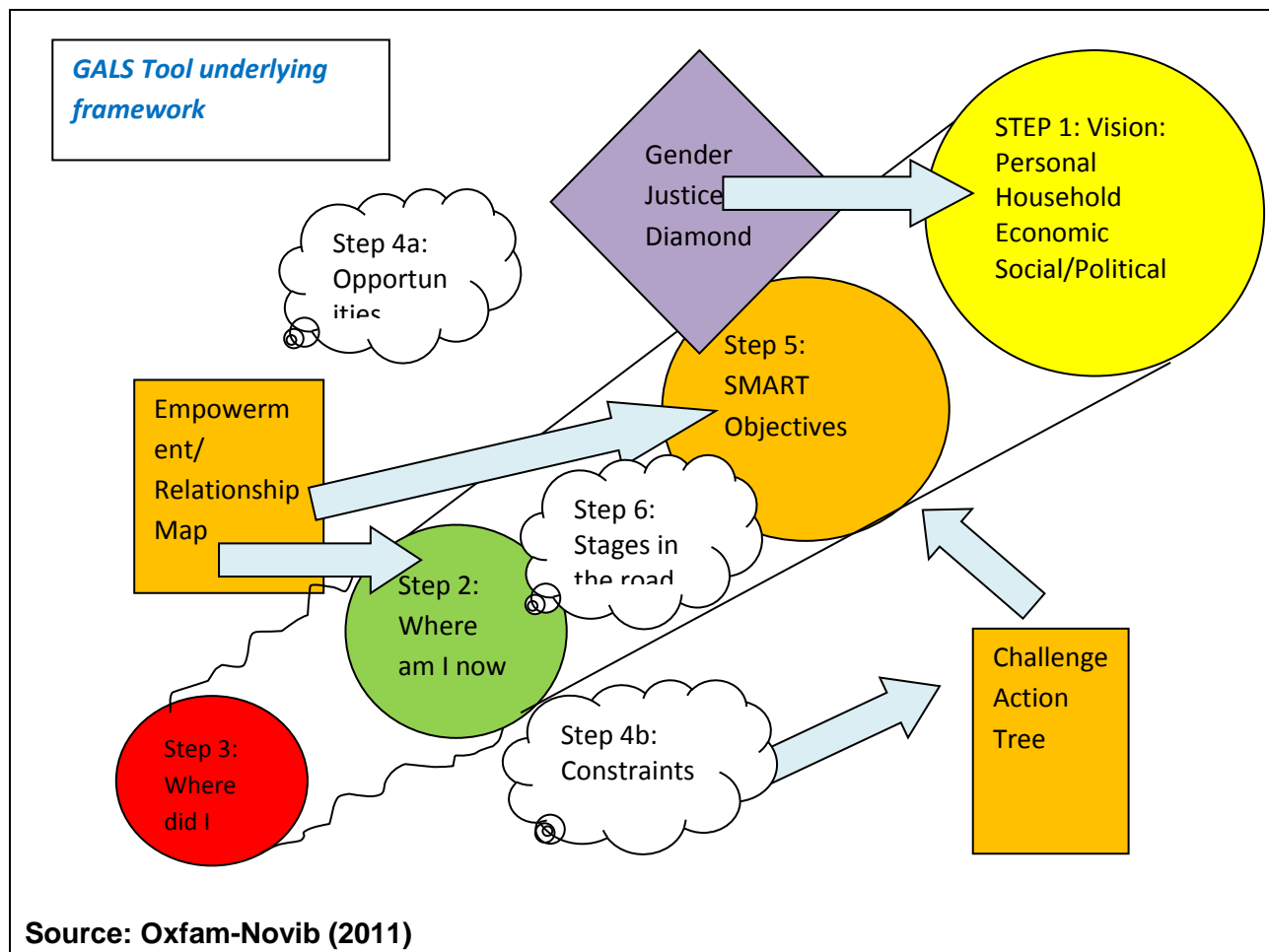
The Gender Action Learning System (GALS) is conducted in four stages, all of which are participatory and depend on the use of visual, rather than written, material to work with. The underlying framework is depicted below. The framework aims to achieve a positive orientation by encouraging participants to develop individual and then household level visions for their future (step 1) before establishing their current situation (step 2). In order to promote a sense of achievement and to help them identify cause-effect linkages, the participants are asked to consider where they have come from (step 3). Next, participants identify the opportunities and constraints that will affect the realization of their vision (step 4). Step 5 focuses upon enabling participants to identify their objectives, and finally, step 6 asks participants to set milestones on the road towards the achievements of their overall vision.

The GALS has adapted simple diagramming tools to enable full participation by illiterate, as well as formally educated, stakeholders in the four-stages process.

At organizational level, a number of stages are set in motion.

- Stage 1: Preliminary mapping of the main chain activities, stakeholders, value distribution, governance and gender inequalities.
- Stage 2: Participatory action research with different stakeholder groups (and where feasible more powerful stakeholders) to identify the poverty and gender issues at each level, identify immediate short term change strategies and strengthen collaboration and peer sharing.
- Stage 3: The identification, planning and negotiation of multi-stakeholder win-win strategies. At this stage, the more powerful stakeholders are involved through value chain multi-stakeholder events.
- Stage 4: The promotion of sustainable action learning process including monitoring change through the integration of individual and group level learning into management information system, peer up-scaling, integration of learning in planning process and policy advocacy, participatory process for on-going change planning in Annual General Meetings, value chain fairs and local government.

Figure 1: Underlying Road Journey Framework of the GALS



BIBLIOGRAPHY

- African Development Bank & African Development Fund (2001): GENDER POLICY, AfDB and ADF
- Amin, Ruhul, Maurice St. Pierre, Ashraf Ahmed and Runa Haq (2001): Integration of an Essential Services Package (ESP) in Child and Reproductive Health and Family Planning with a Micro-credit Programme for the Poor Women: Experience from a Pilot Project in Rural Bangladesh, World Development, Vol. 29, No. 9, 2001.
- Arjun Apparduria (2004): "The Capacity to Aspire: Culture and the Terms of Recognition," in *Culture and Public Action*, edited by V. Rao and M. Walton (Stanford University Press, 2004)
- Armendariz, Beatriz and Jonathan Morduch (2005): The Economics of Microfinance, Amazon Books.
- Aslop, Ruth and Nina Heinsohn (2005): Measuring Empowerment in Practice: Structural Analysis and Framing Indicators, World Bank Policy Research Working Paper 3510, Feb. 2005.
- Assessing the Impact of Micro-enterprise Services (AIMS) 2000: Learning from Clients: Assessment Tools for Micro-finance Practitioners, Washington, D.C, Management System International. Available at <http://www.mip.org>
- Bartlett, Andrew (2004): entry points for empowerment, CARE Bangladesh
- Bukonzo Joint Cooperative Microfinance Services Ltd (2011): Annual Report Year 2010-11, Uganda (www.bukonzocoop.com).
- (2006): Clients/Groups Hand Book, Uganda
- CGAP (2010): Andhra Pradesh 2010: Global Implications of the Crisis in Indian Microfinance, CGAP FOCUS NOTE No 67, November 2010
- Chambers, Robert (2006): Transforming Power: From Zero-Sum to Win-Win, IDS Bulletin, Vol. 37, Number 6, November 2006
- (1997): Whose Reality Counts? Putting the First Last, Intermediate Technology.
- (1994): All Power Deceives, IDS Bulletin, Vol. 25, No 2, April, 1994
- (1993): Challenging the Professions: Frontiers for Rural Development, Intermediate Technology Publications
- (1992): 'Rural Appraisal: Rapid, Relaxed and Participatory', IDS Discussion Paper No. 311, Brighton: Institute of Development Studies, University of Sussex.

- Chant, Sylvia (2003): New Contributions to the analysis of poverty: methodological and conceptual challenges to understanding poverty from a gender perspective, United Nations, Women and Development Unit, Santiago, Chile).
- Chen, M. and E. Dunn (1996): The Household Economic Portfolio, AIMS, USAID
- Cheston, Susy (2007?): ‘‘Just the facts, Ma’am’’: Gender Stories from Unexpected Sources with Morals for Microfinance; Opportunity International
- Cheston, Susy and Lisa Kuhn (2002): Empowering Women Through Microfinance, (Paper Submitted to Microcreditsummit-5).
- Churchill, Craig and Cheryl Frankiewicz (2006): Making Microfinance Work: Managing for Improved Performance, ILO International Training Centre, Italy
- Dowla, Asif and Dipal Barua (2006): The Poor Always Pay Back: The Grameen II Story, Kumarian Press, Inc., USA
- FAO (2011): The State of Food and Agriculture 2010-11: Women in Agriculture – Closing the Gender Gap for Development, the Food and Agriculture Organization of the United Nations, Rome
- (2002): A Guide to Gender Sensitive Microfinance, Socio Economic and Gender Analysis Programme (SAEGA), (FAO Guide) Rome
- Farnworth, Cathy, Melinda Fones Sundell, Akinyi Nzioki, Violet Shivutse, and Marion Davis (2013): Transforming Gender Relations in Agriculture in Sub-Saharan Africa, Swedish International Agricultural Network Initiative (SIANI)
- Farnworth, Cathy and Vincent Akamandisa (2011): Report on Gender Action Learning Systems (GALS): Approaches to Value Chain Development in Bukonzo Joint Cooperative Microfinance Ltd, Uganda, for Oxfam-Novib and GIZ
- Freedom From Hunger (2012): Integrated Health and Microfinance in India: Harnessing the Strengths of Two Sectors to Improve Health and Alleviate Poverty, State of the Field of Integrated Health and Microfinance in India 2012. Freedom From Hunger, Indian Institute of Public Health, and Microcredit Summit
- GEDI (2013): Global Gender Entrepreneurship Development Index (www.thegedi.org)
- Gobezie, Getaneh (2011): Empowerment of Women and Gender Mainstreaming in Rural Microfinance Expert Group Meeting, Enabling rural women’s economic empowerment: institutions, opportunities and participation, UN Women In cooperation with FAO, IFAD and WFP, 20-23 Sep, 2011, Accra, Ghana
- (2010): Empowerment of Women in Rural Ethiopia: A Review of Two Microfinance Models, PRAXIS, The Fletcher Journal of Human Security, Volume XXV 2010, Tufts University, USA.
- (2008): Successes in Expanding Microfinance Opportunities in Rural Ethiopia -- Can the Entrepreneurship Challenge be Overcome? Africa Finance

and Banking Review (2008), a supplementary issues of Savings and Development Journal, University of Bergamo, Italy

- Guérin, I, Santosh Kumar and I. Agier (2010): Microfinance and Women's Empowerment: Do Relationships Between Women Matter? Lessons from rural Southern India, Centre Emile Bernheim Research Institute in Management Science and Solvay Brussels School of Economics and Management.
- IFAD (2001): Ethiopia: Rural Financial Intermediation Programme (RUFIP) -- Formulation Report, Working Paper 1: The Micro-finance Sub-sector, Annex XII: Rural Women and Financial Intermediation: Background Paper for Rural Financial Intermediation Programme (RUFIP).
- Johnson, Suzan (2004): Gender Norms in Financial Markets: Evidence from Kenya, World Development, Vol. 32, No. 8, pp. 1355 – 1374
- Johnson, Suzan, Markku Malkamaki, and Kuria Wanjau (2005): Tackling the 'frontiers' of microfinance in Kenya: the role for decentralized services. Decentralized Financial Services, Nairobi, Kenya.
- Johnson, Suzan and Namarta Sharma (2007): "Institutionalizing Suspicion": The Management and Governance Challenges in User-owned Microfinance Groups, in What's Wrong with Microfinance, edited by Thomas Ditcher and Malcolm Harper
- Kabeer, Naila (2007) Marriage, Motherhood and Masculinity in the Global Economy: Reconfigurations of Personal and Economic Life IDS WORKING PAPER 290 IDS, University of Sussex
- (2005): Is Microfinance a 'Magic Bullet' for Women's Empowerment? Analysis of Findings from South Asia, Economic and Political Weekly October 29, 2005
- (2001): Resources, Agency, Achievements: Reflections on the Measurement of Women's Empowerment, in "Discussing Women's Empowerment: Theory and Practice" Sida-Studies no.3
- (1999): Conflicts Over Credit: Re-Evaluating the Empowerment Potential of Loans to Women in Rural Bangladesh, Conceptualizing and Evaluating Empowerment – Some Lessons.
- (1998): 'Money Can buy me love'? Re-evaluating the empowerment potential of loans to women in rural Bangladesh, IDS, Sussex, UK
- Kabeer, Naila and Helzi Noponen (2005): Social and economic impacts of PRADAN's Self Help Group Microfinance and Livelihoods Promotion Program Analysis from Jharkhand, India, Impact Working Paper, No. 11
- Kay, Thelma (2002): Empowering Women Through Self-help Microcredit Programmes, Gender and Development Section, Emerging Social Issues Division, ESCAP.

- Kessey, Charles (2005): Empowering Muslim Women Through Microcredit Scheme: The Case of the Sunyani Gonja Muslim Women's Group, WOPAG – Working Papers on Ghana: Historical and Contemporary Studies No 7
- Laven, Anna and Noortje Verhart (2011): Addressing gender equality in agricultural value chains: Sharing work in progress, On Track with Gender
- Magner, M. (2007) Microfinance: A Platform for Social Change. Grameen Foundation.
- Martínez, Elisa (2006): The Courage to Change: Confronting the limits and unleashing the potential of CARE's programming for women, Synthesis Report: Phase 2 CARE International Strategic Impact Inquiry on Women's Empowerment, CARE USA
- Mayoux, Linda (a) (2011): Mainstreaming Gender in Microfinance Service Provision, Synthesis paper, On Track With Gender Trajectory Phase 2.0
- (b) (2011): Women are Useful to Microfinance: How Can We Make Microfinance More Useful to Women? Paper for the Microcredit Summit, Spain, Nov. 2011 (First Draft for Discussion)
- (2009): Gender and Rural Finance: Overview, in 'Gender in Agriculture' Source Book, World Bank, FAO and IFAD.
- Mayoux, Linda and Getaneh Gobezie (2011): Financial Services for Gender Justice, Gender advocacy report at the Microcredit Summit, Spain, Nov 2011, sponsored by Oxfam-Novib.
- Mayoux, Linda and Maria Hartl (2009): Gender Mainstreaming in Rural Finance – Reaching and Empowering Women: Guide for Practitioners, IFAD Guide, Rome.
- MkNelly, Barbara and Christopher Dunford (1999): Impact of Credit with Education on Mothers and Their Young Children's Nutrition: CRESER Credit with Education Program in Bolivia FREEDOM FROM HUNGER RESERCH PAPER No. 5.
- Mknelly, Barbara and Mona McCord (September 2002): Credit with Education Impact Review No.2: Economic Capacity and Security, Freedom From Hunger (FFH).
- Morduch, Jonathan and Barbara Haley (2002): Analysis of the Effects of Microfinance on Poverty Reduction, NYU Wagner Working Paper No. 1014
- On Track with Gender (2009): Report Taking Stock phase, www.ontrackwithgender.nl.
- Osmani, Lutfun N. Khan (1998) Impact of Credit on the Relative Well-Being of Women: Evidence from the Grameen Bank, in IDS Bulletin, Vol.29, No.4, Oct. 1998.
- Oxfam-Novib (2009): Mapping the Road to Change -- Action Learning for Gender Justice in Western Uganda, [Video, 29 min] by Dominique Chadwick.
- PROCASUR (2011): Bukonzo Joint Cooperative Microfinance LTD: Gender Mainstreaming, Value Chain, and Livelihoods, Learning Route Gender and Rural Microfinance – New Approaches, Services and Products in Africa, Uganda, 12th to the 20th of March 2011

- Rajivan, Anuradha (2001): Microcredit and Women's Empowerment: A Case Study of Share Microfinance Ltd., United Nations Development Programme
- Regina, Kamuhanda (2010): A Study on Promoting Women's Participatotion in SACCOS, A Case of 8 SACCOs supported by GTZ FSD Programme in Uganda, study for GTZ
- Rutherford, Stuart (1999): The Poor and Their Money, Institute of Development Policy & Management University of Manchester
- Sebstad, Jennefer and Cristina Manfre (2011): Behavior Change Perspectives on Gender and Value Chain Development: A Framework for Analysis and Implementation, Field Report No. 12, USAID and ACDI-VOCA
- Sen, Amartya (2001): The Many Faces of Gender Inequality: When Misogyny Becomes a Health Problem, THE NEW REPUBLIC, September 17, 2001
- (1990): More than 100 Million Women Are Missing, The New York Review of Books, Volume 37, Number 20
- (1987): Gender and Cooperative Conflict, World Institute for Development Economics Research, WIDER Working Papers, Helsinki
- Sinha, Frances (2009): Microfinance Self-help Groups in India: Living up to Their Promise? Practical Action Publishing
- The AIMS Team (2001): Conceptual Framework for Assessing the Impact of Microenterprise Services (Submitted to: Monique Cohen, Ph.D)
- UN 2002: Gender Mainstreaming: An Overview, New York
- UNFPA (2006): From Microfinance to Macro Change: Integrating Health Education and Microfinance to Empower Women and Reduce Poverty, New York
- United Nations Population Information Network (POPIN) (2010): Guidelines on Women's Empowerment, UN Population Division, Department of Economic and Social Affairs, with support from the UN Population Fund (UNFPA)
- World Bank (2012): World Development Report 2012: Gender Equality and Development, The International Bank for Reconstruction and Development/World Bank, Washington DC.
- World Bank, FAO and IFAD (2009): Gender in Agriculture Source Book, World Bank, FAO and IFAD.
- Yunus, Mohamed (2003): Grameen Bank II: Designed to Open New Possibilities GRAMEEN FOUNDATION USA