

Association pour le bien-être de la Femme et des Familles du Milieu Rural
Association for the Wellbeing of Women and their Families of the Rural Areas
AFFAMIR



**Enhancing Self-Determined Economic Activities of Women
in Rural Areas of Cameroon**

Submission for the German UNIFEM Prize 2005
"Sustainable Micro-Credit Programmes for Women:
Small Credit for Great Impact"

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1 Name of the project

The project is entitled:

"**Enhancing Self-Determined Economic Activities of Women in Rural Areas of Cameroon**".

2 Area and region in which the project works

The project is being implemented in **Bansoa**, a village with about 40,000 inhabitants in the West Province of Cameroon. The main activity in **Bansoa** is agriculture. Coffee, the only cash crop in the area, is a male activity; vegetable cultivation, essentially for income generating, is handled equally by both men and women; food crops is exclusively a women's activity. There is a petty livestock and weak poultry activities.

An excellent road network connects **Bansoa** to **Bafoussam** (20 km), to **Yaoundé**, the political capital (300 km), and to **Douala**, the economic capital (320 km), thus providing **Bansoa** with good market opportunities for its agriculture. Unfortunately, the population cannot seize this opportunity because of low productivity due to poor agricultural techniques, lack of quality planting materials, substantive post-harvest losses, and poor access to finance.

3 Key contact person of the German partner

Our partner in Germany is Mr Hans Krönner, a technical and vocational education and training expert who has worked for the UNESCO-UNEVOC International Centre in Bonn until early 2005. He has organised an informal group in Berlin that has provided logistical as well as financial support to AFFAMIR since 2003. His contact details are provided on the cover page.

4 Aims and objectives of the project

In a broader context, the project aims at contributing to societal and economic change so as to contribute to the fight against structural causes of poverty, and to the reduction of power imbalances.

The project's concrete objectives are:

- Contribute to **poverty alleviation** in **Bansoa** through building of technical and managerial capacities of women and their associations;
- Promote **gender equity** as sine qua non condition for sustainable development of rural societies;
- Create **more scope for women**. Contribute to building their self esteem and to their capacities of self-determination to enhance women's image and situation;
- Promote **economic autonomy and capacities** of women by supporting their economic activities (micro enterprises, access to capital).

Strategically, the programme uses women's promotion and education as entry point because of the importance of these processes in the setting and in the participation of women in decision-making.

Practically, the focus is on capacity development of women based on their existing social structures. In **Bansoa**, **njangis**, informal groups with the social objective of solidarity and mutual assistance, have been identified as pertinent structures. Beside advice, the programme also provides individual women with credit (in cash and in kind, such as improved

seedlings and organic fertiliser) and non-financial services (training in income generating activities, use of fertilizers and innovative agricultural techniques).

5 Target groups

The project includes activities exclusively for women as well as activities including both men and women.

For women, these are in particular:

- Advisory services to women;
- Providing loans that do not require economic guarantees (collaterals). The total amount of money disbursed so far is more than 15 million CFA Francs¹ to more than 1,000 women. The outstanding loan balance amounts to about 6 million CFA Francs.

For men and women:

- Savings arrangements (balance about 23 million CFA Francs);
- Providing loans (about 10 million CFA Francs to men and 3 million CFA Francs to mixed groups);
- Provision of seedlings and fertilizers;
- Practical training and technical support to farmers.

6 How was the idea conceived and when was the project started?

In 1998, the "**Caisse Populaire Coopérative de Banéghang**"² was created by 12 inhabitants of the community³ for providing credit and savings services in support of the development activities of citizens. Three years later, the number of women members was still low (42 out of a total membership of 250) due to:

- Lack of knowledge about products and services of the *Caisse* (savings, credit);
- Traditional barriers preventing women from access to the *Caisse*;
- Lack of collateral to give as guarantee for loans.

In 2001, the Women's Committee of the *Caisse* decided to create an external structure to support registration of women and to improve their access to credit. The "**Association pour le bien-être de la Femme et des Familles du Milieu Rural**" (AFFAMIR) was then created. Thanks to its action, between 2001 and April 2005, the number of individual women involved rose from 42 to 168, and their groups from zero to 22.

Despite of this increase, the loans to women still were performing very poor (less than 3%). Female borrowers were facing problems using and paying back their loans. AFFAMIR and the *Caisse* thus designed a special credit scheme: The *Caisse* provides loans and financial advices; AFFAMIR provides technical support, training and other non-financial services. The programme received 12 million CFA Francs from the *Rabobank Foundation* (Netherlands) for training purposes and as seed capital. In 2003, AFFAMIR and the *Caisse* signed a Memorandum of Understanding to formalise their partnership.

1 1000 CFA Francs correspond to 1.52 Euro (early 2005)

2 Banéghang is a quarter of the village of Bansoa

3 This cooperative has a community character. By its bye law, every member has only one vote, and a member cannot hold more than 20% of the total shares and more than 10% of the outstanding loan balance of the cooperative at a time.

Based on the social capital principle, the scheme uses women's social structures (*njangis*) to grant productive loans to individual members. The loans are guaranteed by the group rather than by the individual applicant. By April 2005, more than 1,200 women from 22 *njangis* had benefited from micro credit loans for their agricultural and petty trading activities.

7 Is it a single project or a component of a larger programme?

The project is part of a social transformation programme initiated in 1998. Since 1998, the *Caisse* and later on (from 2001) the *Caisse* jointly with AFFAMIR are engaged in a programme for societal and economic change in the municipality of *Penka Michel* which comprises four villages: *Bansoa*, *Balessing*, *Baloum* and *Bamendou*.

The project is a pilot activity. *Bansoa* was chosen for the start-up phase. The upscaling phase (from 2007) will result in a replication of the project in other villages of the municipality.

8 Measures and activities of the project

Historically, the activities have developed as follows:

- | | |
|------|--|
| 1998 | Creation of the <i>Caisse</i> . Provision of credit and savings services. |
| 2001 | Creation of AFFAMIR to increase female access to loans and non-financial services (capacity building).
Development of an innovative micro-credit scheme for women using the social capital principle (<i>njangi</i> groups). |
| 2002 | First financial support received from the <i>Rabobank Foundation</i> (Netherlands).
The project works with 6 women <i>njangis</i> . |
| 2004 | Second financial support from <i>Rabobank</i> .
The farmers' provision store provides its technical services.
The project works with 19 women <i>njangis</i> . |

These are the main activities:

(1) Access to finance for women:

The project is running successfully. There is a high demand from the population for scaling up. Difficulties have been faced because the creation of the *Caisse* was a threat to untrustworthy commercial money lenders, as well as from men now having revenue-empowered women. The capacity building services to *njangis* provided by AFFAMIR enhanced internal accountability and transparency within these groups.

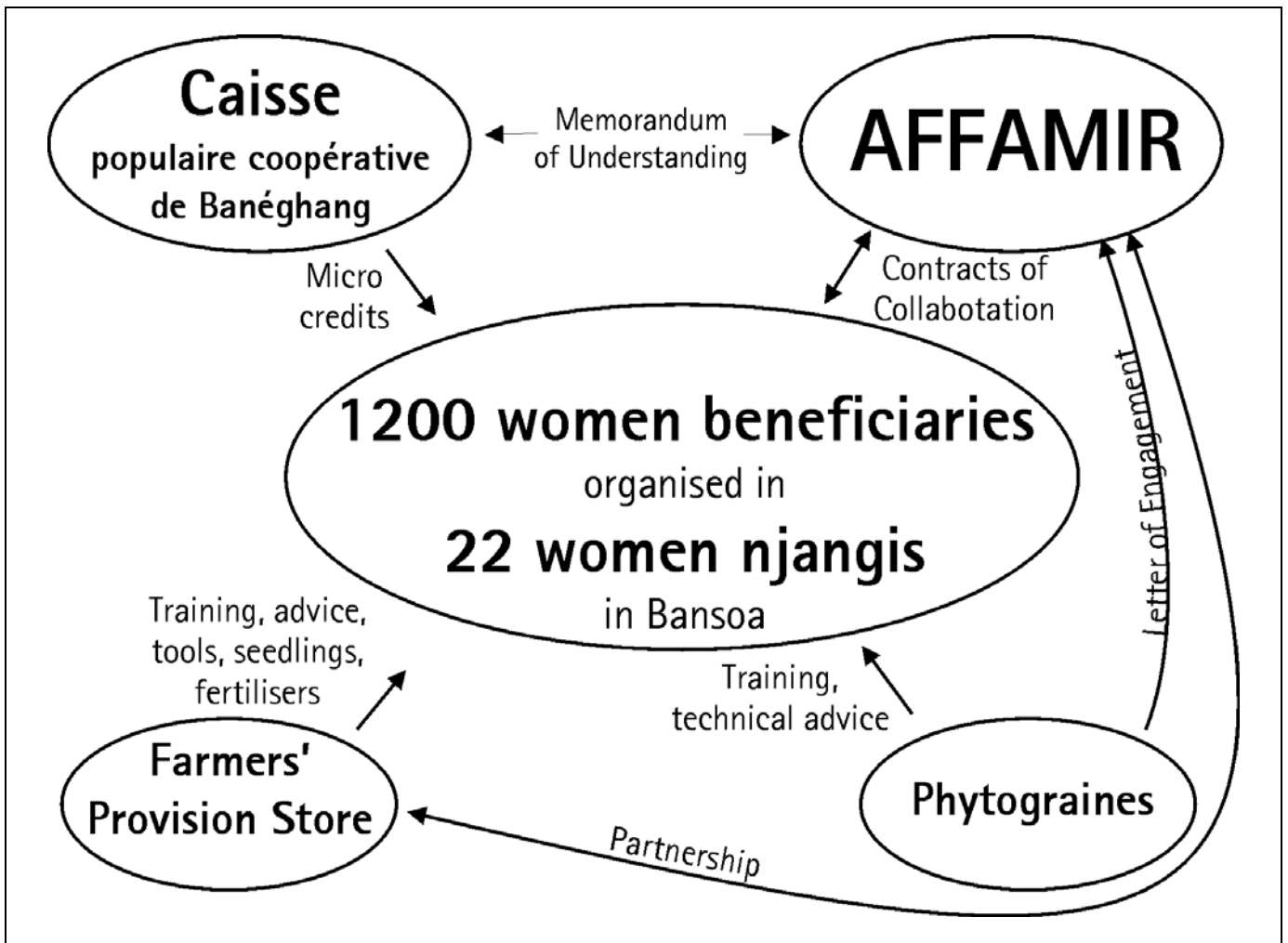
Created in 1998, the *Caisse* now has a total balance of 37 million CFA Francs that comprises 23 millions share/savings and more than 4 million deposits. The *Caisse* is strongly embedded in its local setting.

(2) Provision of seedlings and fertilizers:

In 2004, the partnership enabled the two institutions to receive a grant from the Basque Government of Spain to provide *Bansoa* with a **farmers' provision store**. Operational since January 2005, the store provides women (and men) with agricultural inputs (seeds, tools, etc.) at an affordable price. The activity level of the first few months is encouraging.

(3) Training in farming techniques and use of fertilizers:

Thanks to a partnership with *Phytograines*, a specialised company, women also receive technical advice and training for the usage of fertilizers and in new farming techniques.



Overview: The AFFAMIR network in Bansa, Cameroon

9 Results of the project work

As concrete result, with the backing of their *njangis*, about 1,200 women have benefited from loan for income generating activities, although they were unable to provide guarantees that members of the *Caisse* would normally have to provide. Thanks to the loans, they are having access to agricultural inputs at affordable prices through the farmers' provision store. Beyond access to money and to agricultural inputs, the work of AFFAMIR has given impulse to the improvement of governance and to accountability and transparency in *njangis*. The risk of being exposed to untrustworthy commercial money lenders has been reduced. Finally, the project has contributed to self esteem and to awareness rising of women.

10 Future plans

In its efforts to create more participation and scope for women, AFFAMIR noted that strengthening women's organisations (women's *njangis*) was important. Sustainability can only be ensured by synergies and complementarities between women's organisations and other development stakeholders.

Strategically, the programme uses women's promotion and education as entry points because of their role in the evolvement of power relation in social dynamics. Within this framework, AFFAMIR defined its strategic choices as guidelines for the future:

Strategic choice number one:

Stimulating social and group dynamics without traumatising traditional social organisation and cohesion of the existing *njangis*. For the 22 women *njangis* out of the 70 that exist in the village, a capacity building strategy has been developed for each of them. The future plan is to provide advisory services to as many women *njangis* as possible.

Strategic choice number two:

Facilitating synergies and complementarities between women *njangis* and other socio-economic structures in the region. This institutional embedding will achieve sustainability and effectiveness of social change.

Long term perspective:

Planned for 25 years (one generation), this programme is currently in its pilot phase. *Bansoa* was chosen for this start-up phase. The upscaling phase (from 2007) will consist of a replication of the project in the villages of *Balessing*, *Bamendou* and *Baloum*.

11 Reason for application

In Cameroon, the project is an activity exclusively launched and managed by members of the civil society. From Europe, financial and logistic support has been extended by the Basque Government in Spain, and by the *Rabobank* in the Netherlands. The project has also been able to mobilise financial and logistic support, on a purely private basis, from a group of committed citizens in Germany.⁴

The stakeholders of AFFAMIR hope that participation in the German UNIFEM Prize 2005 competition will focus attention, and mobilise advocacy and support from German partners, particularly from the German civil society. At the same time, AFFAMIR would be happy to provide insights into the conditions and needs for grass root development work in a rural area in Cameroon to German citizens, in particular to the young generation.

AFFAMIR stakeholders are also expecting that their involvement in the German UNIFEM Prize 2005 competition will mobilise some publicity in *Bansoa* and in Cameroon. This will encourage not only the AFFAMIR constituency, but, beyond this, boost women and their organisations to develop similar activities, and to double their own efforts to that end.

Should AFFAMIR be awarded a prize, some of the funds received would be earmarked for documenting and sharing the experiences made in this project, through means such as information materials, a website, and training activities. The overall purpose would be to facilitate transfer from this project to other initiatives that pursue similar objectives, thus sharing experience and know-how accumulated by AFFAMIR in *Bansoa*, Cameroon, with others who wish to learn and benefit from it.

⁴ The article "Tontines in Cameroon: Linking Traditional and Semi-formal Financing Systems" by Sika and Strasser, published in Germany in "D+C Development and Cooperation" No. 1/2001, p.21-22, has helped to draw the attention to the pre-AFFAMIR village cooperative in *Bansoa*.