

INDIVIDUAL CASE STORY | SKILLS SYSTEM

YEWBDAR'S STORY: ACCESS TO SKILLS AND START-UP SUPPORT

THIS 'PRETTY' GOOD BUSINESS STARTED MODEST

Yewbdar is a 30-year-old Addis Ababa resident. She lives and runs a Nu Buna Tetu (literally meaning 'come drink coffee') business in Yeka Sub City Woreda 28.



Her name Yewbdar translates as the 'prettiest of all' in the Amharic language. But life was neither easy nor pretty for Yewbdar. After pursuing her education up to the 10th grade, she was unsure about which direction to follow. She tried her hand at hair dressing; managing to work for three years. Yet, she faced another daunting challenge. "I developed a kidney problem; I couldn't stand for longer periods of time every day," she says.

She had no choice but to quit her job and face joblessness. After three years of unemployment, she heard about a food preparation training opportunity at Selam Children's Village (SCV) from the local district office. She applied, succeeded, and was granted a full scholarship in the Programme.

SCV also provided business skills refreshers on how to succeed in business. Yewbdar dreamt of running her own business, so she attended the two-week business management training. With her combined food preparation and business training, she now had the necessary skills to earn a living, but she didn't have the capital to chase her dreams. Fortunately, through her Woreda, Yewbdar learned about new start-up support packages associated with SCV.

The start-up support packages are part of an action research project initiated by LIWAY in partnership with multiple TVET colleges. The aim is to test whether those who choose self-employment become successful with one of three start-up support packages: financing, training, or technical assistance (e.g. business mentorship). The start-up support packages are targeted at women of all ages and male youth under 29 who earn less than 1,500 ETB per month. LIWAY provided technical assistance for the development of the business skills curriculum and training materials, engaged college business experts to provide business mentorship, and provided start-up loan funds to lending organisations (e.g. saving and loan associations) to test the model.

Yewbdar met the criteria for the start-up support packages, which is how she learned about the Selam LIWAY EYE Saving and Credit Association. The Association is established and run by youth and led by elected members. Members demonstrate their commitment and build collateral through savings. After saving for a minimum of six months members can access loans for their desired business ventures, using their savings or the guarantee of another member as collateral.



Consortium Partners

Yewbdar joined the Association as a founding member and shareholder. After saving for six months, she was able to take a loan of 10,000 Birr loan (approximately 333 USD). She rented a veranda of a pool house for 2,000 Birr per month and started a coffee shop in the Yeka Abado Condominium Residential Area. She managed to repay the loan with interest within three months and was then able to take another loan of 20,000 Birr (approximately 666 USD) for business purposes, much to the delight of the Association.

Ermias Mekasha, Deputy Chairman of the Selam LIWAY EYE Saving and Credit Association says, “The general assembly had decided that members who pay back the first loan of 10,000 Birr are allowed to take the second level loan (Birr 20,000) and then the third level loan (30,000 Birr). Yewbdar is the first successful member who accessed the 20,000 Birr loan.”

Yewbdar has become a successful businesswoman. She has built a diverse clientele that ranges from banks to hair dressing salons, and she now makes more money through telephone orders than from those who come to her veranda. She proudly explains, “I get 5,500 Birr (approximately 174 USD) per month on average.” Her future looks bright as she sets her eyes on other business goals. Her ideas include culinary services such as preparing eggs and vegetable sandwiches to serve alongside her coffee and tea, selling boiled potatoes during the weekends, and preparing potato chips at home for distribution to retail shops. She is also planning to venture into the garment business by distributing imported clothes and cosmetics for retail sales.

Yewbdar is a shining example for her peers, and an increasing number of women and youth like her are being supported to start and grow businesses through the same model. The membership of the Selam LIWAY EYE Saving and Credit Association is continuing to increase, and more capital is being generated through loans to contribute to the loan fund. Based on the success experienced to-date, SVC is planning to scale the initiative by introducing the model to its graduates from the college and encourage the establishment of additional youth savings and credit associations.