

Interim Report 2

Organization Name	READ Bhutan
Project Title	Empowering Rural Women through Entrepreneurship, Education and Economic Opportunities
Grant Amount	\$48,701
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Project Background

READ Bhutan received \$48,701 in funding from Dining for Women to carry out livelihood skills and financial literacy training as well as to develop and publish financial literacy guidebooks for women in Bhutan. The grant also supported the formation of women's saving cooperatives to provide women with access to affordable credit.

The project aimed to empower 300 rural women in nine communities in Bhutan where READ Centers are located by enhancing their financial literacy, and entrepreneurship and livelihood skills to improve their families' economic opportunities. As a result of these interventions, women gained not only an awareness of the economic activities and opportunities that are at their doorsteps, but acquired life-changing skills to take steps to start or expand micro-businesses, establish income-generating activities and exercise financial responsibility and leadership qualities.

Project Objectives

- Provide specialized programs that will secure livelihoods for women and their families;
- Provide financial literacy training that will enable rural women to better manage their finances and access capital;
- Form saving cooperatives with the assistance from Department of Agriculture and Marketing Cooperative, Ministry of Agriculture.

Project Activities

READ completed all scheduled livelihood skills training programs, reaching 305 women. During this reporting period, the following sessions were conducted:

I. Livelihood Training Programs

- *Food processing training in Chapcha, Changjiji and Ura*
136 women from Chapcha, Changjiji and Ura took part in various food processing training conducted at their respective READ Centers.
 - In Chapcha, 25 women took part in a 2-day baking training. The training was conducted by a local baker from Thimphu. The women learned how to make cupcakes and muffins.



- In Changjiji and the neighboring communities in Lungtenphu, Babesa and Olakha, 85 women took part in a 3-day baking training conducted by the National Post Harvest Center in Paro. The women learned how to make buckwheat cookies, sponge cake and cupcakes.
- In Ura, 26 women learned to make potato chips through a two-day training conducted by the National Post Harvest Center in Mongar.

- *Dairy Processing in Rongthung*

A two-day livelihood training on paneer (cheese) production was conducted for the dairy group and other interested members of the community in Rongthung. The training was conducted in partnership with the Department of Livestock, Trashigang for 24 members of the saving cooperative and other interested women from the community. The participants learned how to make fresh paneer using different acetic acids such as vinegar, fresh lemon, lemon juice and salt and identified which acetic acid makes the best paneer. They learned about maintaining cleanliness and hygiene when handling milk and processing the paneer.

- *Souvenir-making at Yangthang and Changjiji*

A four-day felt souvenir making training was conducted at Yangthang and Changjiji for 15 and 25 women respectively. Two trainers from Tarayana Foundation were hired to train the women on making the souvenirs.

II. Financial Literacy Training

In partnership with Regional Agricultural and Cooperative office under the Department of Agriculture and Marketing Cooperatives, READ Bhutan conducted a three-day training on financial literacy and the formation of saving cooperatives in eight READ communities. The objective was to encourage and enable rural women to manage their finances and access capital. This training was provided to women who have participated in the livelihood training and were keen to establish an enterprise around the new skills. The training covered basic book keeping, savings & credit. In total, 230 women participated in the Financial Literacy and formation of saving cooperatives training program.

As part of the Financial Literacy training program, READ Bhutan developed and published financial literacy guide books with guidance from Royal Monetary Authority (RMA). 500 copies of the guidebooks were printed and distributed to the READ Centers, the participants, schools in READ host communities, and partners.

III. Formation of the Saving Cooperatives

Through the project, six Women's Self-Help Groups were formed. According to Bhutanese legislation this is the first step in forming an official savings cooperative. While one group was already registered as an official savings cooperative (there was a pre-existing self-help group interested in adding on a savings cooperative component), the other five groups still need to fulfill the requirement of functioning as an informal self-help group for a year before officially registering with the Department of Agriculture and Marketing Cooperative. Each group will receive a seed fund of Nu. 25,000 to invest in the group's activities to help sustain it. An agreement will be signed between READ Bhutan and the groups before handing over the seed fund in mid-May 2019. Unfortunately in the other three communities, there were not the requisite 15 women committed to starting the savings cooperatives. The women there are keen to put their skills to use in income generation, but did not feel that they needed the cooperative to access the necessary credit.

Project Outcome

- Objective 1: 300 women in 9 communities in Bhutan will become economically empowered through training in livelihood skills, financial literacy, and women's empowerment delivered in the READ centers*



- 305 women from the READ communities acquired knowledge and skills in bamboo crafts, making bags and baskets from PET bottles and plastic waste, food processing and souvenir making, directly benefitting from the project.
- 230 women improved their financial literacy, enabling them to develop basic business plans and demonstrate marketing knowledge to enhance their businesses.
- At least 1500 members in the community will indirectly benefit from the project through peer learning as the women teach the skills to others in their families and close circle of friends.

II. *Objective 2: Project participants will form at least 9 saving cooperatives*

- Six self-help groups were formed and will be registered as savings cooperatives with the Department of Agriculture and Cooperatives after fulfilling their obligation of one year of operation as a self-help group. Three communities of Punakha, Ura and Panbang will not be able to form a SHG due to critical mass required for the formation. However, READ requests to reallocate and invest the budget allocated for seed funds into enhancing the livelihood skills of the existing SHGs under the project to increase their opportunity to generate more income. A seed fund of Nu. 25,000 will be provided to each SHG to invest in the group's activity.

1. *Challenges*

I. *Project time extension*

- In order to align with READ Bhutan's financial year, the project was planned to be implemented with effect from January 2018. However, in 2018, there was delay in implementation due to election blackout periods from February to mid-May, and August to September for the National Elections. Most activities had to happen between June to July, and October to December which unfortunately coincided with paddy cultivation and harvest seasons in most of the project communities. This made it more difficult to attract farmers to attend and participate in the workshops. In one community, Punakha, there was not critical mass to conduct a training, so the team instead conducted a training for economically disadvantaged women in villages on the outskirts of Thimphu who were keen to participate in the program.

II. *Financial Literacy and the Formation of Savings Cooperatives*

- Most women who attended the livelihood training were not able to attend the financial literacy and savings group formation due to a conflict in schedule, despite consulting with interested in women prior to scheduling the events. This was in part due to fact that the trainings needed to be held during the prime agricultural season, as the government restricted gatherings in the lead-up to two nation-wide elections in the last year. Those participants who wish to join the SHG but could not attend the training, will be educated on the rules and roles by the peer members of the groups.
- Since most of the participants were illiterate, it was difficult for them to understand the book keeping, stock and record keeping. This is one of the reasons; most women did not feel comfortable being part of the saving cooperative. To ease learning for the women who did not feel comfortable or confident with the technical terms, the organizers of the trainers and facilitators carried out extensive mentoring and question and answer sessions. Group discussions, presentations and knowledge sharing among peers was also encouraged, and case studies were discussed to help the women apply and contextualize their learnings to their everyday lives.
- 6 self-help groups were formed, but 5 were not yet able to officially register as savings cooperatives due to the regulation of the Department of Agriculture and Cooperatives that requires the group to be operating for at least a year before they can be officially registered as savings cooperatives. Until they qualify, the group will function as an informal self-help group. READ has already assisted the women in preparing all required paperwork so that they are ready to submit when the time required is satisfied.



- The department of Agriculture and Marketing Cooperatives also requires the group to have at least 15 members. In three communities—Ura, Pangbang and Punakha—there are less than 15 women who are interested in the formation of the group. Since there are only five or fewer women interested in forming a cooperative or self-help group, rather than investing in a group that will likely not prosper, READ proposed to reprogram the seed money for the saving cooperative to invest in intermediate livelihood training for women eager to further expand their skills and quality of the products they are producing.

2. Lessons Learned

- There are as many economically disadvantaged women in the urban areas as in rural communities. Through the implementation of the program, READ found that women in the low income areas within or surrounding Thimphu are either illiterate or primary school drop-outs which makes it more difficult for them to access well-paying jobs or livelihood opportunities, despite their urban residence. Savings cooperatives were difficult to form due to the low-literacy levels of the participating women. This factor made them reluctant to join the group since they had difficulties understanding bookkeeping, stock and record keeping. While most of the women in the group are literate, their education is basic and they will need additional training to build their capacity to manage the cooperatives effectively.
- Monitoring - READ conducted a survey to record and measure the level of skills and information acquired by the participants from the livelihood skills training. The survey indicated that 85% of the women have acquired new skills to start a business and generate more income as a result of the training. 70% of women have a clear idea what they want to do with the skills acquired. READ will also conduct a follow-up survey after 6 months to measure the impact of the livelihood training and identify success stories from the field.
- The savings group will have regular meetings among the members to update on the progress. The READ center coordinator who is also part of the group will record the meeting minutes and share it with READ Bhutan. Because the formation of the group is an on-going process, READ will have to play an instrumental role in following-up with the group members and the local government office in the respective communities to ensure smooth operations.

