



Chereponi Women Empowerment Project



“Give the women of Chereponi a chance” – 150 women were already supported to start a self-determined life with food security and improved living conditions

Introduction

The situation of women in Ghana is characterized by financial dependency, especially in the much poorer regions of the north. Women are predominately in charge of raising children and taking care of the household. Only few are able to earn their own income and support their families economically, leaving this burden entirely on the back of the husbands. Due to the lack of an efficient safety net and appropriate insurance coverage the family is exposed to greater risk in the case the husband becomes disabled.

The Chereponi Women Empowerment Project (CWEP) improves the livelihoods of women and their families in the Northern region of Ghana by providing them with microcredits. It empowers the women by giving them the opportunity to engage in income-generating activities thus alleviating their husbands from the pressure of being the only household member that generates income. This improves their status in their families and communities and gives them a sense of pride. The very structures of the project support cohesion and solidarity among community members, which creates an improved atmosphere in the families and the whole community. The project further increases the food security in the communities with 3 meals a day. The additional funds improve the overall financial situation of the families and communities, giving them the possibility to pay for health insurance and school fees.

The project aims at achieving the following core objectives:

- Empower women in rural areas economically by enhancing their independence
- Improve their own and their families' livelihoods with food security and better nutrition as basis
- Diversify the skill sets of the women to increase efficiency and to open up new opportunities

The activities described in the next section (Project Description and History) are employed within CWEP in order to achieve these aims.

CWEP has been formally established in May 2011 and is based on a non-profit concept. All income remains within the project and is used entirely for its participants. The Project is managed by the Project Coordinators Julia Neumann and Alexander Stoecker through NEIA e.V. (Nachhaltige Entwicklung in Afrika – Sustainable Development in Africa), which is an NGO registered in Rommerskirchen, Germany. Both of them are students of a Masters Degree and their work is entirely voluntary. Ernest Kwabena Asoi is the local representative of the project and manages several similar projects in his native hometown Chereponi. He is a headmaster and farmer and also supports the project voluntarily.

The project is located in the Chereponi District, which is an administrative district in the Northern region of Ghana, with a population of about 63,000 people. Chereponi District is located about four driving hours north-east of the regional capital Tamale and in close vicinity to the Togolese border.

Agriculture plays a very important role in the economic development of the District and represents the main stay of the population. About 40% of the land is used for agricultural purposes. However, a greater portion of the fertile lands are left uncultivated due to the lack of financial means. The overwhelming share of the farming activities are on a subsistence level. Average farm holdings are small and average about two hectares per farmer. There are only a few farmers who cultivate large areas of soybeans, maize, yam and rice for commercial purposes. Please visit <http://www.chereponi.ghanadistricts.gov.gh> for more information on the project location.

Upon the start of the project in May 2011, 17 women were supported in one community. Further investments made it possible to expand the project to 100 women in the farming season of 2013 including two communities. The current size of 150 women was reached just before the microcredit payout in December 2013, while also adding another community. Currently women in the communities of Namalaku, Mayemam and Nyamgbandi receive support. Due to the large size of the new communities many more women are waiting for our support. The project is further incorporated as an association by Ghanaian law and registered at the Registrar General's Department. Please refer to Annex I for the registration documents. CWEP's finances are managed using a bank account at the Agricultural Development Bank (ADB) in Yendi, which is approximately two hours away from Chereponi. The account is a group account and can only be accessed by three women together, who are the legal representatives of each community.

Project Description and History

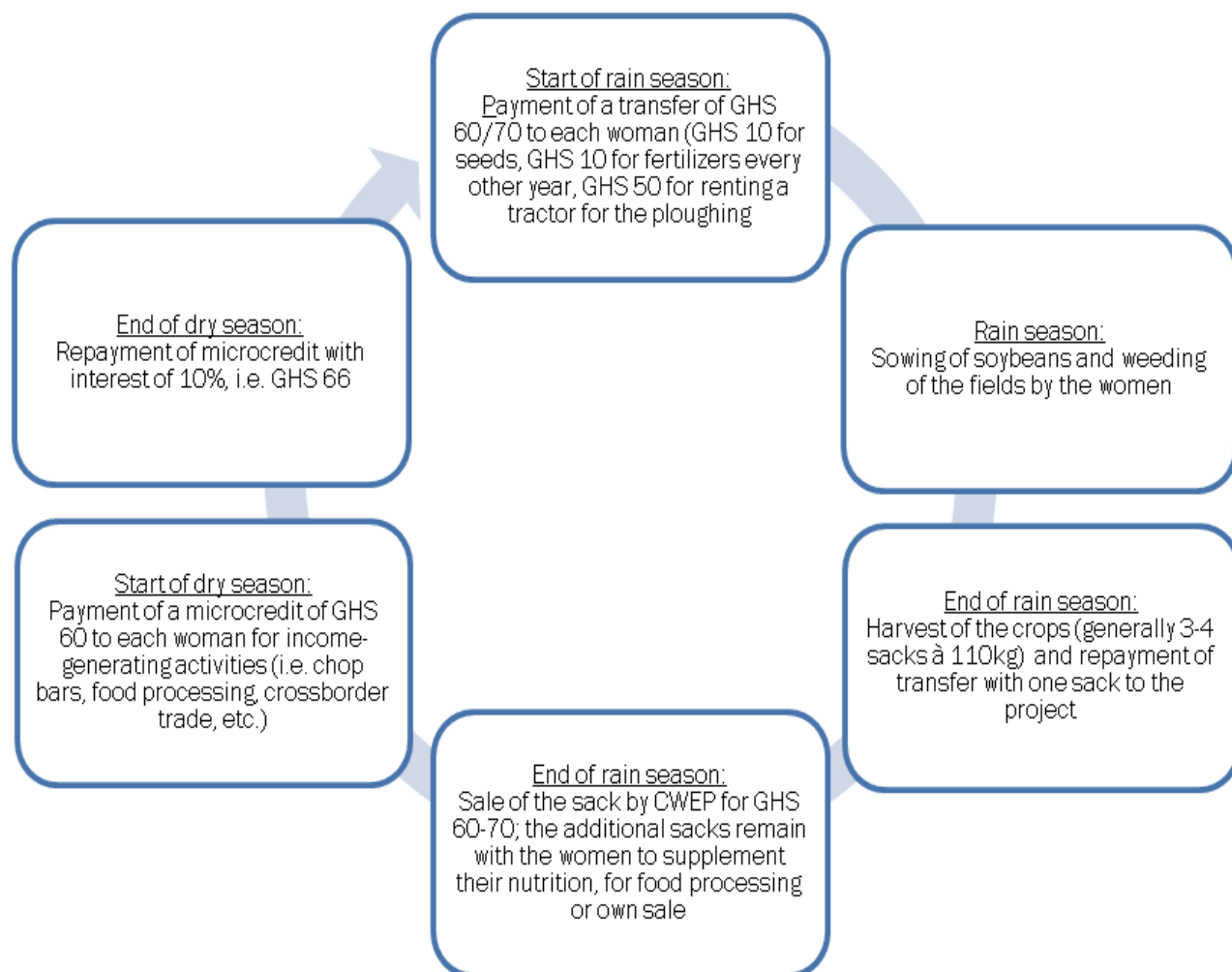
The Project Cycle

The whole project cycle covers 12 months and starts with the beginning of the rainy season in May or early June. When the first rain falls all women in the project receive a transfer of GHS 60-70, which equals about EUR 25. This amount represents the current cost for ploughing (GHS 50), the seeds (GHS 10) and fertilizers (GHS 10). The latter only have to be applied every other year. The ploughing cost emerges from the hiring of a local tractor owner who ploughs the fields in the beginning of the project cycle. Due to a rather high inflation averaging about 10% p.a. and rising fuel costs, ploughing cost can be expected to increase each year. The denomination in Euro is furthermore subject to a volatile exchange rate and can therefore change considerably from one year to another. Each field measures approximately one acre and is given to the women from the men of the community. It is in their possession but they are usually not able to cultivate this very fertile land. Fortunately

we were able to convince the men to make these lands available to their wives and thus enable them to do their part in supporting their own families.

Each woman starts with the production of soybeans, which have been identified by our local project coordinator as the most cost effective crops, since their seeds are relatively inexpensive and the plants are less prone to pest infestation, i.e. they don't require any form of expensive pest control. Ghana is furthermore a net-importer of soybeans and the demand for this crop is expected to rise due to its widespread use in any form of food and food processing. For these reasons soybeans represent the ideal crop for this project. After the ploughing and sowing of the seeds every woman is engaged in the upkeep of their field. Their main task is the weeding of the fields to ensure a proper growth of the plants. The local project coordinator assesses each field on a regular basis. Due to the unavailability of irrigation systems the participating women highly depend on appropriate rainfall. The farming season comes to an end in November/December and the ripe plants are harvested. Each woman produces an average of 3 to 4 bags of soybeans, with each bag containing 110 kg. The women will repay their transfer by expending one bag to the project, which will then be sold by our local project coordinator. The residual bags remain with the women to supplement the families' nutrition, to be used in food-processing or to be sold by the women individually. The aim of selling the bag received by the women is to at least recoup the previous investment of GHS 60 or 70. Over the last few years one bag of soybeans traded between GHS 55 to GHS 70. Due to the oversupply in December the price usually drops before it increases again in February and March. For this reason in the beginning of the project the whole produce was stored in a storage facility in Chereponi to be sold at a later stage when the prices would increase again. Last year's entire produce was sold to Vesta Oil Ltd. a large manufacturer of edible oils in Tema. For the future a closer cooperation with Vesta Oil Ltd. is envisaged. For the season 2013, Vesta Oil Ltd. agreed to buy the whole produce of 100 bags for a price of GHS 70 each in December 2013. Such a cooperation will help us to finance the microcredit and add additional savings, while also being able to save on expenses for transport and storage.

Due to the fact that farming is not possible in the dry season which lasts from December to May each woman receives a micro-credit of GHS 60 in order to engage in different income-generating activities. These activities are very diverse and include maintaining cookshops, processing different foodstuffs and the trading of different items with nearby Togolese communities. At the end of the dry season each woman repays the microcredit with an interest rate of 10% resulting in a repayment of GHS 66. This money is in turn used for the agricultural transfer in the beginning of the next rainy season. Since the beginning of the project every microcredit has been repaid and no woman has had to default on any payments.



This concludes the project cycle and reflects the sustainability of the project as the initial investment of GHS 60 per woman finances all subsequent seasons for this woman. The generated donations and additional income help us to increase the number of participating women.

The Project History and Financing

CWEP was initiated in May 2011 with 17 women in the community of Namalaku. Namalaku inhabits approximately 100 people 35 of which are women that are suitable for the project. The group is organized and legally represented by three women. The initial investment for 17 women of GHS 850 (GHS 50 per woman: GHS 40 for ploughing and GHS 10 for seeds at that time) was collected through private donations by the project coordinator Julia Neumann. The project coordinators visited the project in May and August/September 2011. The subsequent micro-credit was financed by the sale of the produce in December at GHS 60 per bag. In March 2012 the micro-credit was repaid and we received an interest payment of GHS 102 (GHS 6 * 17). A full financial statement can be found in Annex II.

For the farming season of 2012 we were able to increase the number of participants to 37 women with the support of further private donations. In April 2012 EUR 640 was transferred to the bank account, which accounted for the farming transfer for 20 new women and the cost for establishing the bank account. In December 2012 the micro-credit for all members was financed externally again in order to be able to store the produce and sell them at a later stage to realize a better price. EUR 580 was transferred to the account in November 2012 (equivalent to GHS 1368.80). These donations covered the microcredit for 21 women and the travel cost of GHS 100. On 28th December 2012 the available GHS 1390 were debited from the account for microcredit payments (see Annex III Bank Statement). The microcredit for the remaining 16 women was paid out in cash together with 13 new members, who were added to the group through further private donations. The total number of members thus rose to 50 women at the end of 2012.

In the beginning of 2013, CWEP became a formal member of the German NGO NEIA e.V. with Julia Neumann, Alexander Stoecker and Ernest Kwabena Asoi as coordinators. Before the new farming season started, 42 bags of soybeans were sold for GHS 70 each in March 2013. This was more than the expected 37 bags equivalent to the number of women who were farming due to a very good harvest. In the end we received GHS 3000 from Vesta Oil Ltd. which bought the entire produce. The interest payment of the microcredit of all 50 women added GHS 300 of income. For the new farming season 2013 additional 35 women were admitted to the group financed by further donations collected through NEIA e.V. of EUR 825 (equivalent to GHS 2100) that were paid into the bank account in April 2013. The transfer per women remained GHS 60 per woman as ploughing cost rose to GHS 50 and seed cost remained GHS 10. For this year no additional fertilizers were needed. These incoming payments were set off against the needed finances for the new 35 women which amounted to GHS 2100. Thus a further GHS 1200 were paid into the account in April 2013. In late May a further 15 women were added to the group, financed by the savings that had accumulated in the bank account. This led to a debit of the bank account of GHS 1000, resulting from the transfer payment of GHS 900 and travel costs of GHS 100. This brings the total number of women in the project to 100.

After the end of the 2013 season, 50 more women were added. They joined the group and were granted the microcredit before also joining in the farming at the start of the coming season. This was financed by savings and further donations collected through NEIA e.V. of EUR 655 which is equivalent to GHS 2000. The sale of the soybeans accumulated to an income of GHS 7000 (100 bags at GHS 70 each). At the end of 2013 the total group strength has grown to 150 women in three communities. Namalaku contains 35 women, while Mayemam comprises of 91 women, leaving 24 women for the new community Nyamgbandi. Both Mayemam and Nyamgbandi have further potential to increase the group as more women demand their inclusion.

Investment Plans

The positive response of the project participants and the increasing pleading of surrounding communities, who wish to be admitted to the project, make further extensions of participants necessary. In order not to stretch the finances too much a growth of 50 women for each year is envisaged.

More importantly, the major planned investment is the acquisition of an own tractor for the group, that will do the ploughing. As has been evident, the ploughing cost represents the main expenditure item of the transfer. The acquisition of an own tractor would therefore reduce the required amount per woman significantly as only seeds and fertilizers would have to be purchased. A tractor would furthermore generate further income as it can be rented out to other farmers in the area.

The following table shows the cost of different brands of tractors:

Brand	Item price in USD	Item price in EUR	Transportation Cost*
MF435	USD 38,000	EUR 28,500	USD 1000
MF375	USD 30,000	EUR 22,500	USD 1000
John Deere 5403	USD 26,500	EUR 19,875	USD 1000

*The transportation cost for a transfer from Accra to Chereponi has been calculated to the experience of our local project coordinator Ernest Kwabena Asoi.

Annex IV illustrates the calculations for the different investment opportunities with a total volume of GHS 70,000. Investment A would purchase a tractor in 2014 (John Deere 5403), Investment B would invest into bullocks to do the ploughing of the fields, which would be purchased over the years according to the arising need. The comparison of the respective end-year balances shows that the savings of option A would exceed the savings of option B at the end of the 2019 season for the first time. In 2020 the option A will also exceed the no investment scenario. The calculation furthermore shows that at latest by 2020 the savings in scenario A would be enough to purchase an additional tractor. The calculations substantiate the superiority of investment A. Investment B also poses more risks in terms of maintenance as suitable veterinaries are much harder to find in the North of Ghana than mechanics. Bullocks also need more expensive sheds and examinations to secure appropriate husbandry as inappropriate conduct will increase the chances of diseases. The elevated stress during the short ploughing period can diminish the capabilities and durability of the animals and is a great risk for the health and hence productivity of the bullocks. The risks in the calculation and maintenance involved are also greater due to less experience on the side of the local project coordinator. In conclusion, both the investment analysis and the risk analysis demonstrate that the acquisition of a tractor is the preferable choice.

As the calculation also shows, the number of women would surpass 300 in the 2016 season. This means that for the additional women for the 2017 season external ploughing

services would need to be financed and no additional income could be generated from the lending of the tractor. Therefore it would be highly desirable to purchase another tractor before the 2017 season in order to be able to be independent from external ploughing services and furthermore continue to generate additional income again. Considering the accumulated savings before the 2017 season approximately GHS 60,000 would be needed for a new tractor in 2017. Further calculations show that this additional investment would lead to higher savings in 2020 compared to the original scenario A.

Future Plans

The following plans and ideas for the future promise positive effects but need further exploration:

- Address existing risks through mitigation measures:
 - Investment in medical coverage of all women and their families in the involved communities through taking out a health insurance or paying a doctor to screen the communities privately on a regular basis
 - Alleviating the risks of a drought through the establishment of a simple but effective way of irrigation or through an appropriate agricultural micro-insurance
- Conduct Trainings
 - Trainings to improve the skills of the women in the area of agricultural and financial management, health and disease prevention and other areas

Further initiatives would be to establish a system to collect important data such as weather, production and other data. This would help to detect possible ways to improve the efficiency and effectiveness of the interventions. The development of other crops is another possible way to increase diversity, which would decrease risks and open up further possibilities to extend the value chain of the production system of the communities. All these new initiatives have to be evaluated with regard to the consolidation and stability of the existing system.

Contact Information

The Chereponi Women Empowerment Project is incorporated in the German NGO NEIA e.V. and information about can be accessed through the website provided below. The Project Coordinators Julia Neumann and Alexander Stöcker are representing and guiding the project together with the Local Coordinator Ernest Kwabena Asoi.

Nachhaltige Entwicklung in Afrika (NEIA) e.V.
Rommerskirchen, Germany
Website: www.neia-ev.org

Julia Neumann
Julia.Neumann@neia-ev.org

Address in Ghana:
Chereponi Women Empowerment Project
P.O. Box CP25
Chereponi, Ghana

Alexander Stöcker
Alexander.Stoecker@neia-ev.org

Ernest Kwabena Asoi
Asoiernest@yahoo.com

Donations can be received through our profile on betterplace.org. On This website, the current financing needs will be published on a regular basis.

<https://www.betterplace.org/de/projects/12561-chereponi-women-empowerment-project>

Furthermore donations are possible through the bank account of NEIA e.V.:

Name: NEIA e.V.
Institution: Volksbank Dormagen
IBAN: DE61 3056 0548 4610 9100 12
BIC: GENODED1NLD

In order to make the donation directly available to CWEP please use the project name as reference. Further Information can be accessed through the website.

The immediate financing needs for 2014 result from the illustrated investment plan. For once, additional 50 women should be added before the new season in May 2014. Before that the financing of a tractor is the main foreseen investment, which requires financing of approximately EUR 20,000.00.

Annex I: Registration Documents

CG046692013

C0001852019



REPUBLIC OF GHANA

Certificate of Incorporation

I hereby certify that the

CHEREPONI WOMEN EMPOWERMENT PROJECT

is this day incorporated under the Companies Act, 1963
(Act 179) and that the liability of its members is limited by
guarantee.

Given under my hand, this 19th day of April 2013



For: Registrar of Companies, Ghana

Annex II: Financial Statement (end 2013)

FY 2011

Date	Description	Credit	Debit
March 2011	Private Donations for 17 women	GHS 850	
April 2011	Agric Transfer 17 women at GHS 50		GHS 850
December 2011	Sale of Soybeans 17 bags at GHS 60	GHS 1020	
December 2011	Payment of microcredit 17 women at GHS 60		GHS 1020
Balance end 2011		GHS 0.00	

FY 2012

Date	Description	Credit	Debit
February 2012	Establishment of bank account		GHS 192
February 2012	Travel cost to bank		GHS 100
February 2012	Bank account start balance	GHS 32.75	
March 2012	Repayment of Microcredit 17 women at GHS 66	GHS 1122	
April 2012	Private Donations for 20 women and bank account fees	GHS 1360 (EUR 640)	
May 2012	Agric transfer 37 women at GHS 60		GHS 2220
Mid-year Balance 2012		+ 2.75 GHS	
November 2012	Private Donations for microcredit of 21 women and travel cost	GHS 1368.80 (EUR 580)	
November 2012	Private Donations for microcredit of 16 women	GHS 960	
December 2012	Private Donations for microcredit of 13 women	GHS 780	
December 2012	Payment of microcredit 50 women at GHS 60		GHS 3000
December 2012	Travel cost to bank		GHS 100

December 2012	Bank interest	GHS 0.2	
Balance end 2012		+ 11.75 GHS	

FY 2013

Date	Description	Credit	Debit
January 2013	Bank interest	GHS 0.36	
February 2013	Sale of Soybeans 42 bags at GHS 70	GHS 2940	
April 2013	Excess payment from sale	GHS 60	
March 2013	Registration fee for Association		GHS 400
March 2013	Donations for Registration	GHS 400	
March 2013	Repayment of microcredit 50 women at GHS 66	GHS 3300	
April 2013	Private Donations for 35 women	GHS 2100 (EUR 825)	
April 2013	Agric transfer 85 women at GHS 60		GHS 5100
May 2013	Bank interest	GHS 0.32	
May 2013	Agric transfer 15 women at GHS 60		GHS 900
May 2013	Travel cost for bank withdrawal		GHS 100
Mid-year Balance 2013		+ 2312.43 GHS	
November 2013	Private Donations for microcredit	GHS 2000	
December 2013	Cost of 100 sacks a GHS 2		GHS 200
December 2013	Sale of soybeans 100 bags at GHS 70	GHS 7000	
December 2012	Payment of microcredit for 150 women at GHS 60		GHS 9000
Balance end 2013		+ 2112.43 GHS	

Annex III: Bank Statement (May 2013)

COPY AS OF 17-MAY-13

DE MINDI WOMENS GROUP
P O BOX 9 C/O ROMAN CATHOLIC CHURCH
CHEREPONI N/R

Account Branch : YENDI
Branch Address : YENDI

P. O. BOX 600
YENDI

Cust ID : 00886500
Account No : 8032000088650001
Account Desc. : DE MINDI WOMEN'S GROUP
Account Class : SAVINGS ACCOUNT-NORMAL - GHS
Account Currency: GHANA CEDIS

Statement From : 01-SEP-12 To : 17-MAY-13

Account Open Date : 06-FEB-12
OPENING BALANCE CREDIT 32.75 AVAILABLE BALANCE 32.75

STATEMENT OF ACCOUNT : 8032000088650001
Statement From : 01-SEP-12 To : 17-MAY-13

PAGE : 1

Trn Code/Narrative	REFERENCE	Book Date	Value Date	Debit	Credit	Closing Balance
ALEXANDER STOECKER	1995164123210002	16-NOV-12	16-NOV-12		1,368.80	1,401.55
CREDIT INTEREST	803SAINGHS 00002	30-NOV-12	01-DEC-12		0.20	1,401.75
SWF NO 941928 PD	803CHWL123630004	28-DEC-12	28-DEC-12	1,390.00		11.75
CREDIT INTEREST	803SAINGHS 00002	31-DEC-12	01-JAN-13		0.36	12.11
Cash Deposit BY ADAMA	120CHDPI31080047	18-APR-13	18-APR-13		2,100.00	2,112.11
Cash Deposit YAW	801CHDPI31160097	26-APR-13	26-APR-13		1,200.00	3,312.11
CREDIT INTEREST	803SAINGHS 00002	30-APR-13	01-MAY-13		0.32	3,312.43

ACC NO REFERENCE DATE LOAN CHARGES DESC AMOUNT

Totals

1,390.00 4,669.68

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CLOSING BALANCE CREDIT	3,312.43	AVAILABLE BALANCE	3,312.43
UNCOLLECTED BALANCE	0.00	BLOCKED BALANCE	0.00

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* = UNAUTH ENTRY / R = REVERSAL

*** End of Statement ***

AGRICULTURAL DEVELOPMENT BANK
YENDI BRANCH
[Signature]
Customer Service Officer

Annex IV: Investment calculation

Fundamentals of the Calculation:

General:	
Annual Increase in Women	50
Annually Raised Donations	3000 GHS
Agric Transfer per Woman	20 GHS
Interest on microcredit	10%
Sales Price for Soybean bag	70 GHS
Starting Account Balance (end 2013)	2112 GHS
Starting Number of Women (end 2013)	150
Microcredit Payment	60 GHS
Investment A: Tractor	
Cost of tractor	70,000 GHS
Receipt from Tractor Rent per Field	50 GHS
Total Acres ploughed per season	300
Tractor Maintenance per season	5000 GHS
Investment B: Bullocks	
Cost per Bullock	1500 GHS
Maintenance cost per bullock per season	200 GHS
Number of years bullock can be used	3 years
Number of acres one bullock can plough per day	1
Maximum time for ploughing	14 days

Investment A: Tractor

Season	2014	2015	2016	2017	2018	2019	2020
No. of women	200	250	300	350	400	450	500
Investment money	70,000						
Cost of tractor	-70,000						
Raised Donations	3000	3000	3000	3000	3000	3000	3000
Repayment of microcredit	9900	13,200	16,500	19,800	23,100	26,400	29,700
Payment of agric transfer	-4000	-5000	-6000	-7000	-8000	-9000	-10,000
Income from tractor lending/Cost for extra ploughing	5000	2500	0	-2500	-5000	-7500	-10,000
Tractor maintenance cost	-5000	-5000	-5000	-5000	-5000	-5000	-5000
Mid-year balance	11,012	21,712	32,712	44,012	55,612	67,512	79,712
Income from soybean sale	14,000	17,500	21,000	24,500	28,000	31,500	35,000
Payment of microcredit	-12,000	-15,000	-18,000	-21,000	-24,000	-27,000	-30,000
End-year balance	13,012	24,212	35,712	47,512	59,612	72,012	84,712

Investment B: Bullocks

Season	2014	2015	2016	2017	2018	2019	2020
No. of women	200	250	300	350	400	450	500
No. of bullocks needed	15	18	22	25	29	33	36
No. of new bullocks needed	15	3	4	18	7	8	21
Investment money	70,000						
Raised Donations	3000	3000	3000	3000	3000	3000	3000
Repayment of microcredit	9900	13,200	16,500	19,800	23,100	26,400	29,700
Payment of agric transfer	-4000	-5000	-6000	-7000	-8000	-9000	-10,000
Investment cost for new bullocks	-22,500	-4500	-6000	-27,000	-10,500	-12,000	-31,500
Maintenance cost for bullocks	-3000	-3600	-4400	-5000	-5800	-6600	-7200
Mid-year balance	55,512	60,612	66,212	53,012	58,312	64,112	52,612
Income from soybean sale	14,000	17,500	21,000	24,500	28,000	31,500	35,000
Payment of microcredit	-12,000	-15,000	-18,000	-21,000	-24,000	-27,000	-30,000
End-year balance	57,512	63,112	69,212	56,212	62,312	68,612	57,612

No Investment:

Season	2014	2015	2016	2017	2018	2019	2020
No. of women	200	250	300	350	400	450	500
Investment money	70,000						
Raised Donations	3000	3000	3000	3000	3000	3000	3000
Repayment of microcredit	9900	13,200	16,500	19,800	23,100	26,400	29,700
Payment of agric transfer	-4000	-5000	-6000	-7000	-8000	-9000	-10,000
Extra cost for ploughing	-10,000	-12,500	-15,000	-17,500	-20,000	-22,500	-25,000
Mid-year balance	71,012	71,712	72,712	74,012	75,612	77,512	79,712
Income from soybean sale	14,000	17,500	21,000	24,500	28,000	31,500	35,000
Payment of microcredit	-12,000	-15,000	-18,000	-21,000	-24,000	-27,000	-30,000
End-year balance	73,012	74,212	75,712	77,512	79,612	82,012	84,712

Comparison of Investments:

