

**Technical Assistance to SCOPE
Community Mobilization and
Economic Strengthening
Lusaka, Zambia**

by

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ACRONYMS

AMIZ	Association of Microfinance Institutions of Zambia and Vulnerable Children
ARMS	African Regional Microcredit Summit
CBO	Community-Based Organization
CMO	Community Mobilization Officer
DBA	District Business Association
DCOF	Displaced Children and Orphans Fund
DOVCC	District Orphans and Vulnerable Children Committee
FHI	Family Health International
FHT	Family Health Trust
HIV/AIDS	Human Immunodeficiency Virus/Acquired Immunodeficiency Syndrome
HOW Group	HIV/AIDS and Orphans Working Group
IGA	Income-Generating Activity
MFI	Microfinance Institution
NGO	Nongovernmental Organization
OVC	Orphans and Vulnerable Children
PCI/Z	Project Concern International/Zambia
PMT	Project Management Team
PROSPECT	Programme of Support for Poverty Elimination and Community Transformation
PULSE	Peri-Urban Lusaka Small Enterprise
SCOPE	Strengthening Community Partnerships for Empowering Orphans
SEAD	Small Economic Activity Development
SO	Strategic Objective
USAID	United States Agency of International Development

EXECUTIVE SUMMARY

During recent SCOPE (Strengthening Community Partnerships for Empowering Orphans) OVC (Orphans and Vulnerable Children) Advisory Committee meetings, members raised issues related to microcredit schemes, microenterprises, income-generating activities (IGA), and their impact at household and community levels. The committee members decided to put these issues on the agenda for an internal workshop with all SCOPE staff. They requested that the Displaced Children and Orphans Fund (DCOF) send their microenterprise technical advisor to participate in the workshop.

In addition, the U.S. Agency for International Development (USAID)/Zambia mission requested that DCOF's technical advisor prepare a presentation for their multisectoral HIV/AIDS and Orphans Working (HOW) Group on suggested microfinance strategies for Zambian communities.

Highlights from the Workshop

Community Mobilization

Creating an enabling environment for a community-driven agenda to emerge is especially important during SCOPE's start-up phase. It is crucial to instill in stakeholders a common vision of genuine community participation. SCOPE staff confirmed their philosophy:

- 7 Emphasize the establishment of a process of community consultation, involvement, and commitment.
- 7 Allow the community agenda to drive the process.

However, there are major challenges to instilling genuine community partnership:

- 7 Ensure that community mobilization officers (CMO) acquire advanced, community approach skills and transfer them to the District Orphans and Vulnerable Children Committee (DOVCC) and future partners.

- 7 Balance the managing of grants with catalyzing community ownership.
- 7 Choose the right partners, avoiding those that do not genuinely engage community members.

Relationship Between Community Mobilization and Economic Strengthening

Community mobilization officers and SCOPE's project management team need to develop a basic understanding of the context within which communities cope economically. From the perspective of people who live in areas heavily affected by HIV/AIDS, concerns about slipping further into poverty subsume issues related to HIV/AIDS.

Nongovernmental organizations (NGO) from the social welfare, health, or HIV/AIDS fields feel pressure to respond to community concerns about poverty. Unfortunately, they do not necessarily have the best background to design interventions or create strategies. Therefore, CMOs should create alliances with or linkages to microfinance institutions, microenterprise development organizations, or resource persons with business backgrounds.

Recommendations

SCOPE/OVC Project Management Team

- 7 Conduct an initial meeting with CMOs and members of the DOVCC before the mobilization process begins in any given community.
- 7 Choose only those partners who share SCOPE's philosophy and definition of community participation.
- 7 Ensure that CMOs, DOVCC, and partners receive adequate support to hone their participatory and community approach skills.
- 7 Explore partnerships with organizations that specialize in participatory techniques and community development in addition to those that focus on OVC issues.
- 7 Ensure that the grants advisory committee, CMOs, and DOVCC members are vigilant in looking for signs that grants are undermining genuine community participation.
- 7 Discuss possible strategic alliances with microfinance institutions and District Business Associations.

USAID/Zambia

- 7 Consider investing additional OVC funds in
 - " Experiments to create new models of microfinance or enterprise development,
 - " Existing Zambian microfinance institutions making efforts to expand outreach and introduce innovation, and
 - " A technical resource person skilled in microenterprise development and microfinance services to provide guidance to the SCOPE staff.
- 7 Advocate organizing a panel discussion on HIV/AIDS and microfinance during the November regional OVC conference.
- 7 Encourage strategic alliances with microfinance institutions and other enterprise development organizations.

Displaced Children and Orphans Fund

- 7 Consider supporting a regional position for economic strengthening efforts.
- 7 Continue providing technical support to further develop strategic alliances between microfinance institutions and other enterprise development organizations.
- 7 Seek ways to fund exchange visits among the various projects involved in community mobilization initiatives.

INTRODUCTION

Background

Evolution of Support to Orphans and Vulnerable Children Programming

In October 1996, the U.S. Agency for International Development's (USAID) Zambia Mission awarded Project Concern International of Zambia (PCI/Z) a grant to conduct bridging period activities for the Zambia HIV/AIDS Prevention Project. These activities served as a transition to the start of the Sixth Amendment to the Project Grant Agreement between the Government of Zambia and the United States of America. The Sixth Amendment shifted the focus of USAID's HIV/AIDS support from setting up interventions in partnership with nongovernmental organizations (NGO) and government units to developing the capacity of Zambian institutions and the government to plan, implement, monitor, and evaluate HIV/AIDS interventions within the context of the Zambia Integrated Health Package (ZIHP).

With additional funds from the Displaced Children and Orphans Fund (DCOF), USAID/Zambia awarded an additional grant of \$750,000 to PCI to launch a program of support to orphans and other vulnerable children (OVC), which was subsequently extended to September 31, 1999.¹

After the end of the PCI/Z grant, USAID/Zambia allocated funds from DCOF to Family Health International (FHI) through the IMPACT project to support programming for orphans and other vulnerable children. FHI managed a Request for Application process in October and November 1999 through which CARE International in partnership with Family Health Trust (FHT) was selected to enter into a cooperative agreement to implement a community mobilization effort to mitigate the impacts of AIDS on orphans and other vulnerable children. CARE and Family Health Trust presented the proposal, "Strengthening Community Partnerships for the Empowerment of Orphans and Vulnerable Children" (SCOPE-OVC). The project was awarded and implementation planning began in January 2000.²

¹ Feinberg, Serpell, and Williamson, "Community Mobilization For Orphans in Zambia: An Assessment of the Orphans and Vulnerable Children Program of Project Concern International," January 1999.

² Williamson, "Zambia Trip report," January 2000.

Displaced Children and Orphans Fund

DCOF was established in 1989 by an act of Congress and is administered by USAID's Office of Health and Nutrition. DCOF focuses on issues of loss and displacement among three groups of children in the developing world: unaccompanied children affected by armed conflict, street children, and children orphaned by AIDS.

Purpose of the Workshop

During recent meetings of the Strengthening Community Partnerships for Empowering Orphans (SCOPE) OVC Advisory Committee³, members raised issues related to microcredit schemes, microenterprises, income-generating activities (IGA), and their impact at household and community levels. The same issues have been discussed with other CARE International Zambia projects (Programme of Support for Poverty Elimination and Community Transformation [PROSPECT] and Peri-Urban Lusaka Small Enterprise [PULSE]⁴).

Poverty has been identified as a major constraint in the fight against AIDS and a co-factor in HIV/AIDS transmission. During the XIIIth International Conference on AIDS in Durban, participants repeatedly confirmed this belief. Participants further concluded that most community initiatives would fail unless project designers and policymakers take the poverty issue into account. Improving the daily livelihood of people would go a long way toward addressing this concern. The question however remains: how is this to be done?

For some time now, various communities in Zambia have initiated income-generating activities. Unfortunately, with most of these efforts the emphasis has been on the activity rather than the income.⁵ Some institutions, including CARE Zambia, have tried microfinance and seem to have succeeded. For the SCOPE OVC staff, the need to understand these issues IGA and microfinance issues cannot be overestimated.

Therefore, the project management team (PMT) took advantage of their first internal quarterly workshop by discussing these issues with the community mobilization officers (CMOs). The purpose of the workshop was to provide the SCOPE OVC team an opportunity to discuss IGAs and microfinance issues in the context of communities, orphans, and vulnerable children.

³ Members include SCOPE/OVC project management staff and senior representatives from USAID's Strategic Objective (SO) 3, CARE International, and Family Health Trust.

⁴ PROSPECT has begun promoting self-managed, revolving savings and loans funds. PULSE is a microfinance institution initiated by CARE Int'l, which is now moving toward becoming an independent Zambian NGO.

⁵ Serpell, Namposya; *Orphans and Vulnerable Children: a situation analysis, Zambia 1999*.

The USAID/Zambia Mission and the PMT also invited DCOF's microenterprise and community mobilization technical advisor to participate and facilitate discussions. The workshop took place from August 21–25, 2000 in Lusaka.

In an effort to integrate economic strengthening issues into other projects in USAID/Zambia's portfolio, the mission requested that the DCOF technical advisor

- 7 Prepare a presentation for USAID's multisectoral HIV/AIDS and Orphans Working Group (HOW Group)⁶ on suggested microfinance strategies for Zambian communities in high HIV/AIDS environment, and
- 7 Make recommendations on microfinance options for a cross borders project with commercial drivers and sex workers in five sites in Zambia.

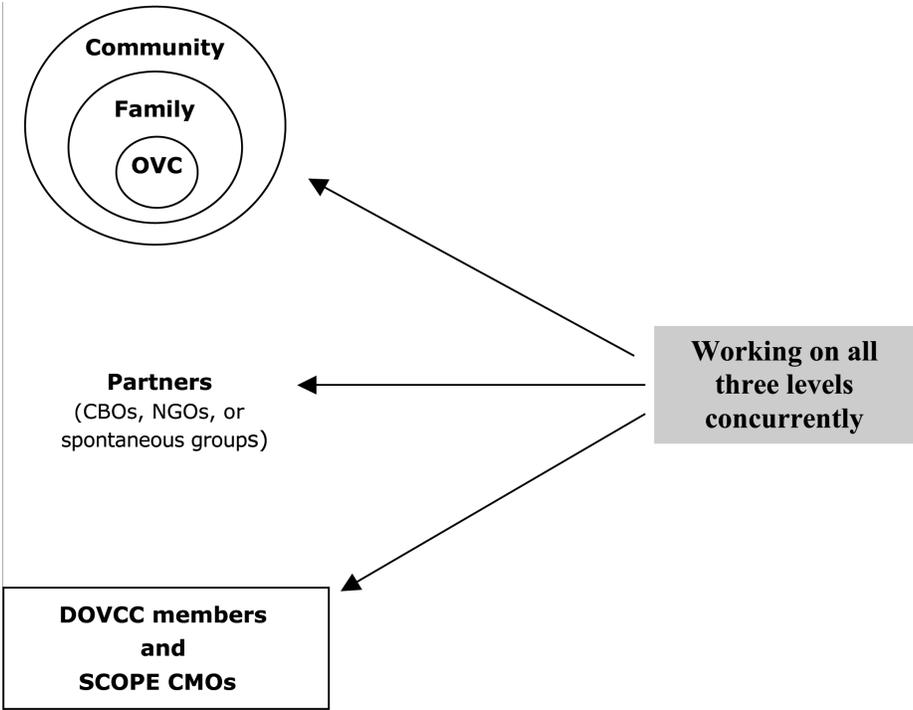
⁶ The HIV/AIDS and Orphans Working Group includes representatives from democracy and governance, agriculture, health, and education programs.

WORKSHOP HIGHLIGHTS (SCOPE COMMUNITY MOBILIZATION OFFICER AND PROJECT MANAGEMENT TEAM)

Workshop Discussions

Basic Strategy or Process for SCOPE/OVC

Although the main purpose of the workshop was to discuss economic strengthening issues, it was important to put these issues in the larger conceptual framework of the SCOPE project. As Mr. Musanje from FHT stated, “we need to envision a process within which we can examine these issues.”



The group agreed that working within the above conceptual framework was not a linear process. For example, although the CMOs started with the District Orphans and Vulnerable Children Committee (DOVCC) and now have apparently good members on board there, they will not wait to identify partners before approaching communities. The choice of partner should ideally emerge from participatory analysis and consensus building with communities. Therefore, the CMOs will go out to communities with selected DOVCC members to initiate the mobilization process and then shift to working with partners once such organizations emerge from the mobilization process or are identified by stakeholders as an obvious choice. The actual process that unfolds may (and should) differ among districts. Similarly, the focus of a given CMO's activities will shift from one level to another, perhaps going back and forth among them over time. Such shifts are in no way a negative aspect of the process and they should be encouraged.

Within the basic strategy, the SCOPE/OVC's philosophy has the following elements:

- 7 Emphasizing the establishment a process of community consultation, involvement, and commitment.
- 7 Allowing the community agenda to drive the process.

Participants agreed that SCOPE's success depends on ensuring that the community "voice" is heard. SCOPE and its partners must engage in a process in which community members take responsibility for addressing issues regarding vulnerable children and take ownership of solutions. Creating an enabling environment so that a community-driven agenda can emerge is especially important during SCOPE's start-up phase. It is crucial to instill among stakeholders a common vision of genuine community participation. However, there are challenges to arriving at this common vision:

- 7 **Ensuring that CMOs acquire advanced skills and transfer them to DOVCC members and other partners.** Participatory skills can be attained through an incremental process; they should be refined and honed throughout the life of the project. Suggested actions include the following:
 - " SCOPE quarterly meetings are used as an opportunity for CMO skills development.
 - " The PMT supports CMOs with timely technical assistance in the field.
 - " The PMT develops a quality tool kit for CMOs, using current knowledge of participatory tools, gathering new ones, and adapting them to SCOPE's needs.
- 7 Transferring community approach skills and emphasizing the importance of community ownership with DOVCC and future partners. Suggested immediate actions include the following:

- " Choose DOVCC members who already ascribe to a participative philosophy and have bought into SCOPE's vision for allowing the community voice to emerge.
- " Conduct a "meeting"⁷ before launching the community ownership process to transfer skills in community approach.
- " Establish a strategy for the iterative introduction of skills as they are needed

SCOPE's grant component is a third area that could sabotage the community ownership process. Many organizations believe they must give funds to communities to stimulate their participation in OVC projects. Although providing funding to a community may initially stimulate its interest, this practice may also compromise the community ownership process. It can instill in a community a sense of dependency on the organization providing funds and a paternalistic relationship may develop between the organization and the community. Eventually the community may lose its motivation or shift its emphasis from addressing the problems at hand to obtaining external funds.⁸

On the other hand, there are times when a modest and carefully timed injection of external resources can make a significant impact on a community. At times, a community can exhaust all its own resources. When this happens, community members can become demoralized and overwhelmed. Striking a balance between stimulating community efforts and creating dependency requires a skillful and thoughtful program approach and regular communication with people in the community.

7 Striking a balancing between managing of grants and catalyzing community ownership.

- " Grants will be awarded to support activities within communities. Evidence of community investment must be offered.
- " Grants cannot be used to start up a new organization; they should not be viewed as "seed money."
- " Problems that arise as a result of the balance between providing grants and stimulating community ownership should be discussed with DOVCC and other stakeholders.
- " The grants advisory committee at the senior project level should be especially sensitive to signs that the grants process is undermining community ownership and participation. The committee will then re-tool the process if necessary.

⁷ Participants chose the term "meeting" instead of workshop to avoid the baggage that surrounds the term, but still transfer some skills. The meeting would also serve to harmonize an understanding of a SCOPE vision of community participation.

⁸ Donahue and Williamson, Community Mobilization to mitigate the impact of HIV/AIDS," September 1999.

" SCOPE staff should make constant advocacy efforts at all levels to challenge the status quo definition of community participation and the role of grants in that process.

7 **Establishing criteria and a process for choosing the right partners.** The CMOs have already conducted a basic inventory of organizations involved in OVC activities. However, many NGOs and community-based organizations (CBO) talk about participation without genuinely engaging community members. The following actions will ensure that the best type of partners is chosen.

" Preference should be given to partners who are chosen as a result of participatory analysis and consensus building with communities.

" CMOs should investigate whether there are other organizations in their districts that specialize in community participation techniques. Women for Change would be an example of such an organization. The focus does not have to be on OVCs only.

" Use CARE's small economic activity development (SEAD) coordinator's experience to limit the choice of partners, e.g., (1) map the location of organizations, (2) establish basic criteria, (3) develop specific partnership criteria, (4) develop partnership relationship, and (5) conduct action planning.

" The CMOs should refine further the following list of criteria (generated at the workshop) when they share it with the DOVCCs:

- The CBO/NGO must share SCOPE's philosophy and definition of community ownership.
- Partner activities should complement, not replace community initiatives or efforts.
- CMOs and DOVCC should examine how deeply the organization is involved in the community, or alternatively, how deep the organization's experience is in catalyzing community ownership and action.
- The proposed scale of a partner's involvement in OVC issues should be closely scrutinized, in terms of geographic reach and also depth. For example, does the organization know what the expressed needs of the community are? Can it demonstrate this? Can the organization match its activities to the community's expressed needs?
- The expressed needs of the community should be matched with a show of ownership /commitment on the part of the community.

Relationship Between Community Mobilization and Economic Strengthening

At the start of the economic strengthening discussions, workshop participants identified three distinctions with regard to the relationship between community mobilization and economic strengthening:

1. Supporting household livelihoods, strengthening household economic resources, and coping strategies are the ENDS.
2. Microenterprise development is the field that addresses these issues—providing access to microfinance services (credit and savings) is one tool or the MEANS by which coping is strengthened/improved.
3. No one expects that SCOPE/OVC, DOVCC members, or partners will become a microfinance institution or a microenterprise development project.

The operational strategy for SCOPE OVC and the CMOs is found within the context of its role as catalyst for community mobilization. CMOs should be thinking in terms of creating alliances or linkages to microfinance institutions, microenterprise development organizations, or resource persons with business backgrounds.

Nonetheless, CMOs and SCOPE's project management team will need to develop a basic understanding of the context within which communities cope economically. The link between microfinance and HIV/AIDS revolves around poverty. Members in a community heavily affected by HIV/AIDS make the following points:

- 7 Poverty is a familiar subject to households in areas with high HIV prevalence rates.
- 7 Concerns about slipping further into poverty subsume issues related to HIV/AIDS.
- 7 The disease is not the only cause of poverty, but poverty intensifies its impact.
- 7 A household's ability to cope with the impact of HIV/AIDS depends on the state its resources before, during, and after a crisis affects it..

NGOs from the social welfare, health, or HIV/AIDS fields are conscious of the pressure to respond to community concerns about poverty, but do not necessarily have the best background to design interventions or create strategies. When these NGOs engage in such activities, the following problems may occur:

- 7 IGAs become a panacea.

- 7 The term “IGA” is used indiscriminately, practitioners do not critically examine what they intend to accomplish by promoting income-generating projects.
- 7 Lack of clarity about the purpose and desired impact of such activities makes it difficult for planners to choose an appropriate development “tool” (Every job has its tool).

When social welfare, health, or HIV/AIDS organizations get involved with income-generating activities, they are usually trying to

- 7 Find ways to strengthen the economic capacity of families and/or
- 7 Assist community associations in creating a source of funds for their activities (or CBOs who are trying to find ways to finance themselves).

These two actions are different, although some of a community association’s revenue may be given to families with the intention of strengthening their capacity. As such they each require different approaches.

A third aspect of the purpose of economic strengthening that has not been brought out in discussions is that of strengthening household resources in anticipation of crises. Such advance action is important for the following reasons:

- 7 The best time to solve a problem is before it becomes a crisis.
- 7 It is necessary to create an enabling environment in which community mobilization can occur. If too many households become destitute, the community safety net will collapse.
- 7 Anticipating crises and reducing risk ahead of time is part of strengthening the community’s capacity to cope.

Income-generating activities are an integral part of the process by which poor households stabilize their economies. There is a pattern to the economic coping behavior during times of economic stress. First, households try to **reduce their risk ahead of time by**

- 7 Choosing low-risk, income-generating activities that earn modest, but steady, returns;
- 7 Diversifying household crop and/or income-earning activities;
- 7 Building up savings and in-kind assets (e.g., livestock, jewelry, and household goods); and
- 7 Preserving extended family and community ties.

Once loss has occurred, households resort to coping strategies that fall into three stages.

Stages	Strategies
I. Reversible Mechanisms	Seek wage labor or migrate to find paid work. Switch to producing low-maintenance subsistence crops. Liquidate savings accounts, and/or sell jewelry and livestock. Call on extended family or community obligations. Borrow from formal or informal sources of credit. Reduce consumption and decrease spending (e.g., education and healthcare).
II. Disposal of Productive Assets	Sell land, equipment, tools, or animals used for farming. Borrow money at exorbitant interest rates. Further reduce consumption, education, and healthcare. Reduce the amount of land farmed and types of crops produced.
III. Destitution	Depend on charity. Break-up household. Resort to distress migration.

Source: "Household Economic Portfolios" by Chen and Dunn for USAID's AIMS project.

A household's ability to avoid Stage II and III depends on the resilience of its Stage I strategies. Stage I, in turn, depends on the successful outcome of risk-reduction activities. In addition, the relative "health" of a family's resource base determines how much the family can participate in community mobilization (safety net), or even if it can help its extended family or community at all.

Income earning/self-employment is a long-standing coping mechanism. Providing access to credit and savings (microfinance services) is an important tool in strengthening those activities. Microfinance services can contribute to HIV/AIDS impact mitigation by

- 7 Reducing vulnerability to loss and deepening poverty by increasing coping mechanisms;
- 7 Maintaining or increasing a small but steady flow of income to poor households;
- 7 Providing opportunities for households to acquire savings that are secure, easy to liquidate, and able to retain their value; and
- 7 Enabling affected households to avoid resorting to irreversible coping strategies that destroy future income-earning capacity.

Presentation on Microfinance⁹

As borders between countries became more porous and people became more mobile, monetary transactions became more complicated. Currency was invented to facilitate transactions. However, access to currency created hierarchy within societies.

Financial services are necessary for poor people. Their needs are slightly different than those who are better off financially. Financial service for the poor is called microfinance.

The gap between microfinance institutions' outreach and that of the formal banking sector is much larger in Africa than in Asia or Latin America. In Zambia, microfinance is a new phenomenon. The first institutions were formed only 5 years ago. A generous estimate of the combined outreach of Zambian microfinance institutions is 50,000 clients.

In addition, the "model" of microfinance is rigid. All institutions in Zambia follow the Grameen Bank approach in which the primary service is credit and the institution manages the delivery of credit through solidarity groups. This approach tends to reach the upper level of poor and is best suited for densely populated urban areas. Many microfinance experts elsewhere in the world think that for less-populated areas, use of self-managed revolving funds where members loan out their own savings to each other is more appropriate. This type of fund tends to be more flexible and can reach a poorer client. However, the challenge of capacity building is considerable.

CARE Zambia is currently experimenting with a self-managed microfinance model through the PROSPECT project. A concept paper based on initial findings will be available before the end of the year.

Following is a matrix that matches the economic strengthening "job" with its recommended "tool."

⁹Presented by CARE SEAD Coordinator, Anuj Jain.

Defining the “Job” to Choose the Tool

Profile	The “Job”	Conventional Tool	Proposed Tool
<p>Community groups of people in poor areas.</p> <p>May be poor, but have some resources and are economically productive.</p>	<ul style="list-style-type: none"> - Social development activities for the general good. - Establish a sustainable source of funds to carry out social development activities. - Funds generated may be used (in part) to support vulnerable families or orphan caregivers. Some of these households may be in extreme economic distress. 	<ul style="list-style-type: none"> - Committee-run, income-generating activities to get source of funds. - Funds generated support administrative and out-of-pockets expenses (e.g., transportation). - Funds are distributed to “vulnerable” households for income-generating activities. 	<ul style="list-style-type: none"> - Reconsider the IGA approach in favor of a broader choice of options, including fundraising activities. - Promote an innovative mix of fundraising strategies. - Social fund for relief assistance for households under severe economic distress. - Link households with social services provided by government and NGOs. - Committee member provides support through visiting, helping with household and child care chores, assisting with planting, tending fields, or harvesting.
<p>Community groups of people in poor areas.</p> <p>May be poor, but have some resources and are capable of being economically productive.</p>	<ul style="list-style-type: none"> - Look for a way to gain income for individual use. IGAs are a self-employment strategy. 	<ul style="list-style-type: none"> - Group-run, income-generating activities that receive grants from external donors. 	<ul style="list-style-type: none"> - Access to existing microfinance institutions’ services that supports individual income-earning activity. Individuals form solidarity groups to gain access to the services. - Promote chilimba (rotating savings). - Introduce self-managed rotating savings and loan concept.
<p>Groups or associations of very vulnerable people.</p>	<ul style="list-style-type: none"> - Reach out to other very vulnerable people. - Join together for moral support. - Form group at the request of external NGO/Donor. Forming a group makes it easier for the donor or NGO to distribute grants or provide assistance. 	<ul style="list-style-type: none"> - Group-run income-generating activities that receive grants from external donors. 	<ul style="list-style-type: none"> - Encourage group to enlarge membership to include people in the wider community. - Look to fundraising activities for administrative and operating funds. - Promote chilimba (rotating savings) for individual needs. - Introduce self-managed rotating savings and loan concept for individual needs.

Strategies to support and strengthen the capacity of households to cope with the impacts of HIV/AIDS should be based on the level of economic or productive capacity of any given household. The focus of assistance to households under severe economic stress should be (a) relief assistance and (b) linkage to social services. For households that are vulnerable but still have productive capacity, the focus should be (a) individual income-earning activity and (b) access to microfinance services through solidarity groups.

Conclusions from the Economic Strengthening Sessions

1. There is a distinction between poor, poorer, and destitute. Care must be taken to choose the right “tool” for each of these groups.
 - 7 CMOs will have to be careful not to give the impression that SCOPE will make poor people rich.
 - 7 Linking individual households that still have productive capacity to microfinance institutions to strengthen their economic resources is the preferred approach. But targeting individual households is too vast a job for the SMO. Instead it should identify existing microfinance organizations with a proven track record. The CMO can simply provide information.
 - 7 Relief assistance should be provided for households that are under severe economic stress.
 - 7 Provide a “boost” to families who are temporarily destitute after which they may be eligible for linkage to a microfinance institution.
2. Community associations should be responsible for mobilizing resources to address the most urgent material needs of households under severe economic stress.
 - 7 One-off fundraising activities can provide a sustainable source of funds for community associations as an alternative to group-run, income-generating projects.
 - 7 Develop a new model that can bridge the gap between temporarily destitute households and microfinance institutions and other enterprise development organizations.
3. DOVCC and partners should be given clear guidance on how to approach household economic strengthening issues.
 - 7 CMOs will discuss these issues at the next meeting with DOVCC.

- 7 DOVCC may need a subcommittee to handle economic strengthening and resource mobilization areas.
- 7 Look for outside expert advice by bringing it within the DOVCC. For example, the DOVCC should identify people with the necessary skills to analyze IGA proposals and recruit them to sit on the DOVC.
- 7 Seek alliances with microfinance institutions to broaden their reach.

If SCOPE succeeds in building alliances with microfinance institutions and other organizations that promote microenterprise development, staff should encourage such institutions to create new models that bridge the gap between those households that are destitute but that could be economically productive with a “boost.” Such households are usually too vulnerable to absorb debt and typically do not make good clients for microfinance services.

- 4. The DCOF technical advisor will make contact with Microfinance Institution (MFI) and develop a matrix with their geographic locations and contact persons. In addition, there are district business associations in all of the SCOPE districts except for Serenje.

Next Steps for SCOPE PMT and CMOs

Who	What (in order of priority)
CMOs	Identify skills of DOVCC members in community participation.
CMOs/DOVCC PMT	Fine-tune the general criteria and process for identifying partners with DOVCC members.
CMOs	Develop detailed institutional inventories of key partners (including additional potential catalysts specializing in community participation skills).
CMOs/DOVCC	Identify communities in which to start mobilization process.
CMOs/DOVCC PMT	Conduct a session or meeting to harmonize community approach and transfer participatory skills.
CMOs	Identify microfinance institutions and microenterprise development organizations with whom to link or who can act as resource persons.
CMOs/DOVCC PMT	Initiate the mobilization process in communities.
CMOs/DOVCC PMT	Select partners

USAID/ZAMBIA'S MULTISECTORAL HIV/AIDS AND ORPHANS WORKING GROUP AND THE CROSS BORDERS PROGRAM

The HIV/AIDS and Orphans Working Group

The USAID/Zambia Mission asked the DCOF technical advisor to prepare a presentation on the linkage between microfinance and HIV/AIDS for members of the The HIV/AIDS and Orphans Working Group (HOW Group). This group comprises staff from the health, education, private sector, agriculture, and natural resources Strategic Objective teams. The presentation focused on the following topics:

- 7 Economic coping strategies of communities during times of stress, including the impact of HIV/AIDS on the household.
- 7 The comparative advantage of microfinance in mitigating these impacts.
- 7 Strategies to create synergy among different technical areas (in particular community mobilization and strengthening household economic coping strategies).

Discussion was good throughout the presentation. Several members of the HOW Group requested copies of the presentation notes and of the overheads.

Field trip to Chirundu, Cross Borders Program

The USAID Mission staff also asked the technical advisor to visit a widows and commercial sex workers association in Chirundu with World Vision staff. This association was formed after members attended a workshop hosted through USAID's Cross Borders program.

The association (named Shelshield) organized a fundraising event the night before the field visit: a beauty pageant featuring association members modeling different outfits. Most of the women

were in their late forties, and for some of them, getting their hair done and putting on makeup was a novelty. The Chirundu peer educators (young men in their late teens and early twenties) provided technical advice on the catwalk “moves” to the women. The pageant was a success. The event earned 600,000 Kwacha (around US \$190).

Association leaders and members met to discuss possible income-generating projects. One widowed woman wanted to start a chicken-raising project to support herself and her six children. The association itself also wanted to devise ways of securing a sustainable source of funds. The association believed it needed outside assistance before it can go proceed. However, upon closer questioning, it turned out that one of the members had already made an unsuccessful attempt at chicken rearing. After a brainstorming session, the group decided that it should continue with its current project: loaning small amounts of money to those women members who wanted and had the capacity to run a microenterprise. The money had initially come from one of the founding members, but now the association could use some of the beauty pageant proceeds to increase what they could do.

The lesson that the association members learned from the whole discussion was that they should identify their internal resources (human and financial) and build on what they are already doing before looking to outside “experts.” The focus should be on what they **can** do with what they have right now, rather than on what they cannot do and do not have. Finally, the DCOF technical advisor urged the members to get wider participation from the Chirundu community. At this point in the association’s development, the more vulnerable members are looking to those who are relatively better off to provide for their needs. But if the association assumes responsibility for providing a livelihood for vulnerable households, it will not be able to sustain the effort. In the end, association members need to ask themselves, whose responsibility it is to provide a livelihood to vulnerable households.

Additional Information

- 7 Identification of business resource people.** The DCOF technical advisor met with Maxwell Sichula of USAID’s Human Resource Development Project. As a result of this project, District Business Associations (DBAs) now exist in 40 districts. Mr. Sichula is compiling a list of these associations. SCOPE should contact him to acquire the list and make contact with DBA members. Many of the members are already active in the District Development Coordinating Committees. A national committee has just been formed, the Zambia Chamber of Small and Medium Business Associations.
- 7 Identification of microfinance institutions.** The DCOF technical advisor met with the chairman, Mr. Mike Mbulo, of the Association of Microfinance Institutions of Zambia (AMIZ). Mr. Mbulo is also the director of the (CARE) PULSE program. Although AMIZ has a membership list, it has not yet compiled a list of its geographic coverage. The technical

advisor offered to contact AMIZ members to compile such a list so that the SCOPE staff will know who is operating where. This will facilitate developing strategic alliances. AMIZ will also benefit from such information.

- 7 African Regional Microcredit Summit (ARMS) conference.** This will take place in Harare from October 9 to 13. As many as 13 Zambian microfinance institutions may attend, including the CARE PULSE staff. This conference will include sessions illustrating the link between HIV/AIDS and microfinance.
- 7 Organizers of the November regional OVC conference (sponsored by USAID/UNICEF)** could invite some of the Zambian microfinance institutions that attended ARMS to be on a panel to talk about linkages between HIV/AIDS and their services.

RECOMMENDATIONS

SCOPE Project Management Team

1. Conduct an initial meeting with CMOs and members of the DOVCC before the mobilization process begins in any given community to harmonize community approaches and to ensure that both CMOs and DOVCC members possess a minimum level of participatory skills.
2. Emphasize genuine community participation. Choose only those partners who share SCOPE's philosophy and definition of it. Look for opportunities to advocate for a shift in the status quo of giving grants to elicit participation.
3. Ensure that CMOs, DOVCC, and partners receive adequate support to hone their participatory skills. SCOPE PMT should not feel obligated to use PLA or PRA packages. It may be preferable to train CMOs in incremental steps, choosing those techniques that fit the situation, as opposed to making the situation fit the techniques. PMT can provide more advanced training to match the pace of community involvement.
4. SCOPE PMT, in particular the project manager and the assistant manager, have acquired advanced community counseling skills over the course of their professional careers. Their valuable skills should be thoroughly utilized. They should support CMOs by modeling behavior through joint visits to communities when possible. This should be viewed as a kind of hands-on training, which is more effective than classroom lectures and exercises.
5. Explore partnerships with organizations that specialize in participatory techniques and community development in addition to those that focus on OVC issues. The NGO, Women for Change, has developed tools that warrant a closer look; its Participatory Education Methods seem especially promising.
6. Hold periodic meeting or workshops with resources persons. SCOPE staff should identify the appropriate workshop topics.

7. The grants advisory committee, CMOs, and DOVCC members should be extremely vigilant in looking for signs that grants are undermining genuine community participation. If community participation starts to erode, the committee should change the way in which the grants process is designed.
8. Encourage the concept of “sustainable charity.” In other words, one-off fundraising activities may be more effective than are income-generating projects in securing a source of sustainable funds/resources for community groups. In addition, SCOPE should promote linkages between the private sector and community groups.
9. Discuss possible strategic alliances with microfinance institutions and District Business Associations. Such alliances should link households with productive capacity to their respective services. When choosing initial areas of focus within the nine districts, give preference to those areas that overlap with MFI’s and/or the DBA’s outreach.
10. Call on the CARE SEAD coordinator for ideas on possible approaches to bridge the gap between temporarily destitute households that are too vulnerable to absorb credit and some type of assistance that would provide the necessary boost for them to regain a sustainable livelihood.

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11. Consider investing additional OVC funds into
 - 7 Experiments to create new models of microfinance or enterprise development that will help households re-establish a sustainable livelihood once they have already fallen through their own and their community’s safety net.
 - 7 Support for existing Zambian microfinance institutions in their efforts to expand outreach in total numbers of clients. (Particularly for MFIs operating in districts where SCOPE is working.)
 - 7 Support for existing Zambian microfinance institutions in their efforts to develop innovations in the type of products and services they offer their clients so that they can reach more deeply into the survival economy.
 - 7 A technical resource person skilled in microenterprise development and community mobilization and HIV/AIDS issues to provide guidance to the SCOPE staff.
12. Advocate for organizing a panel discussion on HIV/AIDS and microfinance during the November regional OVC conference. Invite some of the Zambian institutions that attend

the October Africa Regional Microcredit Summit where they will have discussed this link among other MFIs who operate in the region.

13. Continue efforts to build areas of overlap among the mission's different SO teams and contracting agencies. Encourage strategic alliances with microfinance institutions and other enterprise development organizations especially in terms of geographic overlap and mutually beneficial activities.
14. Actively support SCOPE in its efforts to find opportunities to build its staff's skills. Such efforts would include periodic workshops with outside resource persons (see recommendation above) and study tours.

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15. Consider a regional position for economic strengthening efforts.
16. If SCOPE and the USAID/Zambia Mission request it, continue providing technical support to further develop strategic alliances between microfinance institutions and other enterprise development organizations. Such technical support should also focus on innovation and new models of assistance. Other areas for technical support to SCOPE are community participation, resource mobilization, and advocacy skills.
17. Seek out ways to fund exchange visits among the various projects involved in community mobilization initiatives.