



SEWA

Self Employed Women's Association

Mobilising internal finance from within forest and farm producer organisations

A case study of Shri Kheda District Self-Employed Women's Association



Access to Finance Case Study 4: India

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Cover photo: Women members during a discussion on the performance journey of microfinance services © Vishal Pathak

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Acronyms

RUDI	Rural Urban Distribution Initiative
SEWA	Self-employed Women’s Association
SHGs	Self-help groups

Summary

For decades, there has been chronic underinvestment in women's empowerment, which has hampered progress on women's rights and gender equality (UN Women). For development to benefit everyone equitably and equally – and women in particular – more targeted efforts are required. For example, if women do not have access to safe transportation or low-cost childcare, few will be able to take advantage of important social or vocational development programmes. Financial inclusion¹ requires financial services to be inclusive and take into account the different needs of clients, including women.

This case study presents the development of the *Shri Kheda Jilla Swashrayi Mahila SEWA Bachat Mandal* (Shri Kheda District Self-employed Women's Association). It is based on a field assessment examining how the association is responding to the needs of its members, all of whom are poor self-employed women working in the informal economy.

First registered in 1995, the association's objective was to organise and support women workers. The aim was to help free them the cycle of debt and exploitation they faced at the hands of financial intermediaries and to tackle the financial exclusion they faced due to their lack of access to traditional banking systems.

Based on the needs and demands of its members, the association initiated a number of microfinance services and products for these women with support from the Self-employed Women's Association (SEWA) union and its sister organisations. The association is an affordable membership-based organisation open only to poor self-employed women and all of the association's staff members are women. It believes that the contribution women make to the economy must be valued and it strives constantly to ensure that women workers both have a voice that their work is made more visible, by promoting their full employment and self-reliance.² The association exists for the benefit of its members and is owned and democratically managed by them.

The association has made important positive impacts on the lives of its women members, most of whom work in farms or factories and live in poor and vulnerable localities. Over the last three decades, the association has successfully organised more than 135,000 women from the Kheda and Anand districts in Gujarat, India. As of December 2022, the association also includes over 130 self-help groups (SHGs), 1,300 saving groups and 70 trained women *agewans* (local leaders) who represent the association at the village level. In addition, the association has trained teams of *karyakartas* (fieldworkers) who implement projects and campaigns targeting and responding to the needs of its members.

Recognising the need for financial products and services that were appropriate and affordable for its women members, the association established a financial system, offering them the ability to make regular savings and fixed-term deposits and providing access to microfinance such as loans, insurance and pensions. These products and services provide greater financial inclusion while building the financial security of its members and helping working women to expand their businesses.

¹ According to Salman and Nowacka (2020), 'financial inclusion is a precursor for the economic empowerment of women. It enables women to enhance spending on both production and consumption; it provides them more control over their incomes and access to previously inaccessible economic opportunities. Financial inclusion is defined as access to useful and affordable financial products and services – transactions, payments, savings, credit, and insurance – that are delivered in a responsible and sustainable way to meet the needs of individuals and businesses'.

² The term 'full employment' encompasses work security, income security, food security, and social security (which includes healthcare, childcare, insurance, pension and housing) at the household level. 'Self-reliance' is the ability to work individually and collectively to achieve economic freedom, and have decision-making power over matters that concern our lives and livelihoods.

The ongoing consultations with its women members and *agewans* has been key to enabling the association to identify business opportunities, which has led to the establishment of several women-led business models. The association has created several business centres, including the Rural Urban Distribution Initiative (RUDI) food processing and food distribution centre, which is staffed and supplied by its members; the Kamla Café, a business also staffed and supplied by members; and Zavarba, a business selling its own brand of ethnic handwoven products produced by the association's members.

More recently, and particularly since the lockdown restrictions imposed during the pandemic, the association is focusing on building the digital financial literacy of its members. It is also improving its own use of digital technologies to streamline its financial systems, which will enable it to work more efficiently in future.

Ultimately, the strength of association is that it is rooted in the local economic context and responds to the risks and challenges faced by its women members. The association is actively developing its organisational processes to strengthen the financial services and products it offers to its members.



Holding frequent consultations with women members is a key strength of the association. Its successful business models are rooted in these processes © Vishal Pathak

1 About the women's association

The Shri Kheda District Self-employed Women's Association (*Shri Kheda Jilla Swashrayi Mahila SEWA Bachal Mandala*) was registered officially in 1995. Its remit was to provide local women workers in with both organisational support rooted in the local context and access to much-needed financial services, while also ensuring that development actions are specific to their needs and demands. Organising poor and self-employed women and providing them with financial services have been key to success. This reduces their vulnerability and leads to economic empowerment. The work of the association is also supported by its mother organisation SEWA (the Self-employed Women's Association – see Box 1).

Box 1. About the Self-Employed Women's Association (SEWA)

Formed in 1972, SEWA is a 2.1-million-strong women's trade union in India.³ These women belong to the vast, unprotected informal working population of the country. They are poor, they are women and they are workers – and SEWA unites them so as to help them address their needs. This integrated and holistic view of women as workers has given birth to new and innovative ways to fight poverty and vulnerability. The strategy is for the union and registered cooperative associations of women to take joint action to provide these women with strength, support and a voice – and to help nurture the lives and livelihoods of SEWA's women members.

The services offered by the association have increased, both in terms of the type of services offered and to meet demand from its growing number of members. The association has shaped an efficient management system that includes organised teams and experts, including financial system experts. All implementation work is specific to and targets its women members. It is overseen by a board of nine trustees and led by Chairwoman Jyotiben Macwan. Together, they are responsible for the association's key decision-making processes including monitoring, reviewing and planning. Figure 1 presents the working processes of the association alongside the economic activities it conducts with its members.

Currently, its members are located across the districts of Kheda, Anand and Mahisagar in Gujarat, mostly in rural areas (see Figure 2). All members are women, most of whom are smallholder farmers and farm workers, tobacco workers, animal husbandry workers and weavers. Other occupations include running microenterprises such as handicrafts, food processing, small trades and services.

Although the association is an independent legal entity with its own work force, infrastructure, services and functions, it is very closely connected with SEWA and receives constant support from its sister organisations and the SEWA union, who are key promoters. Working together, they have developed a number of services available to the association's members, including microfinance services such as savings, loans, revolving funds, fixed-term deposits and microinsurance policies. The financial resources required by the association are sourced from these services and from membership fees. To join the district association, members must pay a one-time membership fee of 101 Indian rupees and then 10 Indian rupees annually.⁴

³ See www.sewa.org

⁴ SEWA membership costs 10 Indian rupees annually. There is also a one-off enrolment fee of 1 Indian rupee and a one-off association fee of 100 Indian rupees.

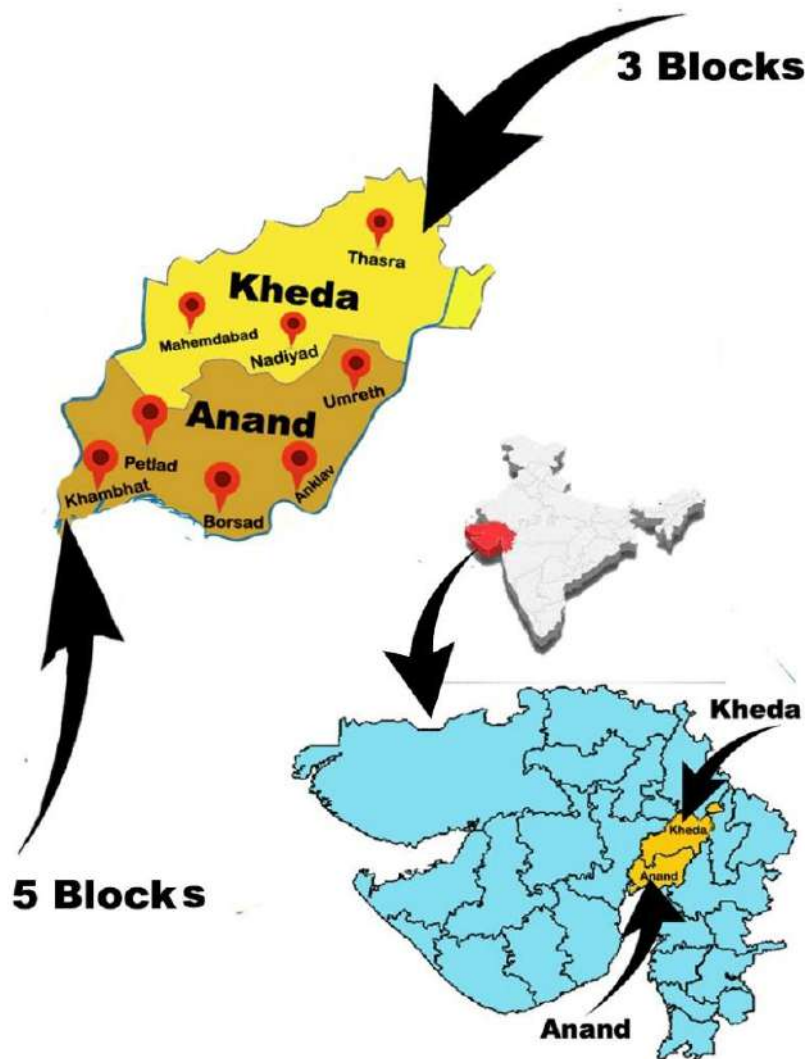
Figure 1. Work processes of the women's association



The association has programmes that support its members in terms of healthcare, income generation and livelihoods, animal husbandry, agriculture and education. The association also runs women-led campaigns to address specific issues raised by its members as well as various projects and related services. These campaigns take systematic action at the grassroots level to address the root causes of the issues, challenges and problems faced by its women members. Examples include the *hariyali* (green) campaign and campaigns to promote the importance of savings and microinsurance. Each campaign reflects issues identified by the women members themselves. The association also provides emergency response support, for example during floods and the COVID-19 pandemic. Emergency response support includes revolving funds, livelihoods support and credit services.

In addition, the association has created a variety of business centres, including Rural Urban Distribution Initiative (RUDI) food processing and food distribution centres; the Kamla Café, a business both run and supplied by the association's members; and Zavarba, a business selling its own brand of ethnic handwoven products produced by the association's members.

Figure 2. Locations in Gujarat where the women's association works



From the start, the microfinance services the association provides to its members are intended to help them get into the habit of saving money. It teaches them the importance of having insurance and using credit to develop and/or expand their businesses, which are mostly home based and informal. Microfinance also helps members to recover from disaster impacts, adapting to and mitigating the effects of climate change, and also helps them to shift to using more modern tools and technology. For example, with SEWA's support, the association launched a programme to enable its members to switch to solar energy instead of diesel for powering irrigation systems. These key focus areas, as well as women's empowerment and environmental protection are crosscutting issues in the work the association does with its members.

Flexibility is key to responding the financial needs of its members. For example, as part of its response to the COVID-19 pandemic, the association modified its mechanism for savings and loan repayments to help their members' businesses recover from the financial impacts of the pandemic. The association immediately allowed members to revise their loan repayment schedules and instalment amounts without having to pay additional interest. Similarly, during flooding in the Anand district, the association allowed its members to take out loans to pay for shelter, livelihoods and education. During emergencies, the association also sometimes offers zero-interest loans to its poorest members.

2 Origins of the women's association

In the 1970s, a small group of poor self-employed women in Ahmedabad, who were members of SEWA, realised they needed their own financial institution. There were four strong reasons behind this:

- Unorganised women workers needed access to finance to run their day-to-day businesses, including buying equipment
- Existing financial products were expensive and exploitative, leaving women at the mercy of unscrupulous moneylenders
- Women workers from the informal economy wanted somewhere safe to deposit their savings, and
- It was extremely difficult to access formal banking services.

They established their first microfinance institution in 1974 as a cooperative bank for poor self-employed women. Around 4,000 women contributed a share capital of 10 Indian rupees each to establish the Mahila (Women's) SEWA Cooperative Bank. The bank was under the dual control of the Reserve Bank of India and the state government.

SEWA members in Anand were also experiencing the same problems. To address this problem and free themselves from the vicious cycle of debt, the leaders and members of the Anand association decided to create their own microfinance institution through the SEWA bank.



The women's association's working culture is open and accessible to its members. As an independent legal entity, the association has its own work force, infrastructure, services and functions that have expanded over time © Vishal Pathak

In 1984, the women's association was initially set up and managed a microfinance project with the SEWA bank in Ahmedabad. SEWA managed the work operations and provided financial resources, while also building leadership skills among local women. However, later on, the association decided to create their own independent association as a separate legal entity in the Anand district in 1995.

The SEWA leadership in Ahmedabad provided until the association was fully able to manage its operations independently. The savings groups initially started with one SHG of 11 people. There are now over 1,300 SHGs, with each group ranging from 10 to 15 members. The initial services offered to farm laborers and workers at the association's processing centres have now expanded to include services that support a wider range of women's businesses. From its humble beginnings in a small rented office in Anand, the association now occupies its own three-floor building staffed by 30 women.

The financial mechanism used by the association has evolved to create strong and direct links between *agewans* (leaders), *karyakartas* (team members) and its women members. Members are at the very heart of the association and the reason why it exists. *Agewans* are responsible for communicating the needs and demands of the members they represent, and *karyakartas* channel these into programme and service development and implementation. The association focuses particularly on training and capacity development for both *karyakartas* and *agewans*.

To support its work, the association also relies on experts, the SEWA union management and other allies to continue learning about current issues and innovations related to finance, including both internal and external reviews. This learning supports its campaigns and project services.



During the COVID-19 pandemic lockdowns, the leaders of the women's association used a digital campaign to reach out to their members. Building on those experiences, the association has increased its focus on providing training on financial and digital literacy © Vishal Pathak

2.1 Microfinance services

The association bridges the gap between its members and the SEWA bank. For example, its field team provides members with active training on financial services, including financial literacy and awareness skills, as well as information on financial products and related facilities. There are high levels of trust between the field team and members, which helps the association to maintain a strong relationship with its members even during times of hardship such as the COVID-19 pandemic.

2.1.1 Savings – the first safety net

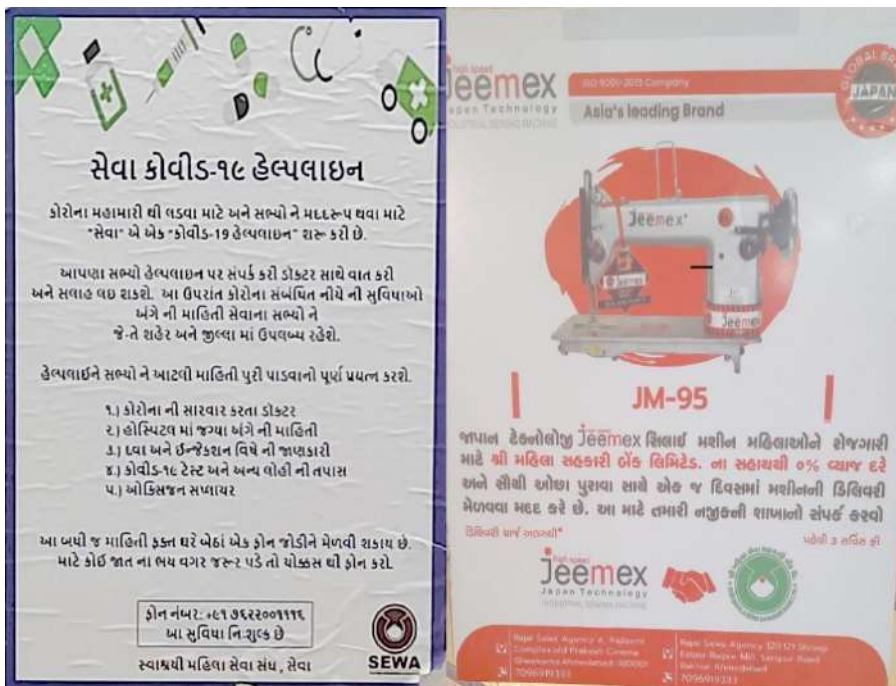
Most of the association's members are on a low and/or seasonal income. Through constant training and fieldwork, the association emphasises to its members the vital importance of making regular savings to improve their financial resilience.

2.1.2 Recurring and fixed-term deposits

To help its members cope with small financial difficulties, the Chinta Nivaran Yojana scheme (meaning 'savings to overcome your worries') was started in 1999. It was designed specifically for savers who only make small monthly deposits of 40, 80 and 120 Indian rupees (around US\$0.50–1.50) for up to five years. After one year of joining the scheme, members can take out an overdraft loan to cope with emergencies, such as natural disasters, accidents or illness.

Similarly, with some modifications based on field studies, several other schemes have been promoted with support from the SEWA bank. These include:

- Kishori Gold Yojana (meaning 'saving scheme for your daughter')
- Mangal Prasang Yojana (meaning 'saving for future occasions'), and
- Ghar Fund Yojana (meaning 'home development fund').



The women's association actively works to raise awareness of information and resources available to its members. For example, the photo on the left shows a poster about SEWA'S COVID-19 helpline. The photo on the right is an advert for sewing machines available at 0% interest © Vishal Pathak

The association with the SEWA bank provides a service of fixed-term deposits from 90 days to more than five years. Generally, trained field teams promote these products to members who have already established good saving habits and are ready to take the next step, for example increasing their savings to help expand their businesses.

2.1.3 Pensions for self-employed women

The association began by designing products and schemes for working women. However, it soon realised that these women also require financial security once they cease working. SEWA bank created a new pension product designed specifically to meet the needs of retired informal women workers. In the districts where it works, the association runs the pensions scheme for its members with support from the SEWA bank.

2.1.4 Loans to help women purchase resources and assets

Members need loans for a wide variety of purposes: to buy assets and raw materials, to repay debts, to buy means of transport (such as pedal carts or handcarts) or pay for services to their homes such as water or electricity. To make the process simple for its members, the association works with SHGs. Based on field research with members, the association also offers loans such as loans to pay for home renovations or for housing, which is important as it promotes home ownership for women.

A minimum of one year of savings is mandatory for members who wish to take out a loan. Normally, the association supports loans for businesses and business expansion, however, it does not encourage loans to pay for expenses such as marriages. During hard times such as the pandemic or flooding, the association has a special programme that offers loans with low or zero rates of interest. The association's loan programme is also linked to some projects offered by its partner organisations.

2.1.5 Financing solar energy

The impact of climate change is happening. It is a reality, particularly for the poor and for workers in the informal economy in climate-sensitive sectors such as agriculture. Heatwaves, cyclones, drought and unpredictable rainfall occur frequently in our targeted areas. The association is building awareness and running an agriculture campaign that promotes adaptation practices on small farms.

However, accessing finance for renewable energy is a key obstacle behind its limited use. This is particularly the case for informal businesses, which is why the association has decided to address the issue by providing education and financial services to promote green energy to its members, and particularly solar energy. The association has shortlisted several green energy products that can be used by households, farms and businesses such as greener cooking systems, lighting and water irrigation pumps. The association has linked these products to financial services such as loans and government subsidies. To further promote the use of solar energy, the association provides additional services and benefits such as extended credit repayments, training and demonstrations.

2.2 Implementing projects

The association has designed and implemented a variety of projects specific to geographical locations, including action research. The association works with different partners including international organisations, the United Nations, SEWA and its sister organisations, government authorities, and universities. The association is responsible for implementing the project actions. The association only agrees to work on projects that are beneficial to its women members. Some of these projects are surveying small landholder women farmers to identify needs of agriculture extension services, demonstration farms' set up to learn about agricultural technology, and trainings on digital financial literacy.

3 Impact of the women's association on its members

The development of the association has brought positive change to the lives of women and their families. It has given them new skills, education and awareness and access and linkages to different platforms (both government and non-government). It has encouraged thousands of women to not only join but initiate and expand their economic activities that have in turn increased their incomes. These women are now better equipped to respond emergencies and climate shocks.

Based on the needs and demands of its members, the association's work has expanded to include a range of actions. Its strong connections with SEWA (in terms of programmes and finance) and local leadership are the main factors behind this expansion. For example, working with *agewans* and *karyakartas*, the association has successfully set up business centres, conducted campaigns and developed clear financial processes. Now, the association has its own teams with specific roles and functions to manage its business centres as well as project actions and fieldwork for and with its women members. On the ground, the association is guided by its 70 *agewans* (village level women leaders).

The running of the association has changed over the time, mainly influenced by two factors: updates in technological and changes based on the development and expansion of its programme actions. For example:

- Simple handwritten accounts are now computerised
- A new membership app has been developed with support from SEWA
- *Agewans* (leaders) and *karyakartas* (team members) are now connected using digital platforms for microfinance services (savings, insurance and credit)
- System development changes with SHGs, including SHG trainings, SHG-specific monthly meetings, a data-management system linked to savings collections and loan repayments, and providing insurance products, and
- Accounts of financial services are now kept separately to projects and business models.

The association's business centres for producing, processing and selling products have been running since 2021. They are located on a separate floor of the association's office building and each centre has its own team. The business centres have been developed based on the constant consultations between members, *agewans* and *karyakartas* and are based on the needs, skills and strengths of the members.

Members have also benefited from the financial services the association offers. These services are simple to use and trustworthy, helping the association's members not only generate savings but also in helping them to learn and think about new ideas and processes for developing their businesses. For example, a member of a monthly saving group who runs home-based food preparation businesses might need fast access to a loan to purchase a rickshaw for making deliveries. This would allow her to sell her food items to customers in surrounding villages, giving her business wider coverage (see also Box 2). Importantly, the association ensures the ownership of such assets remains in the name of its individual women members. In response to its members' demands, the association intends to improve its financial services by increasing the speed of delivery, making it easier and faster for members to take out a loan.

The association's work force is 100% women, from members to *agewans* and *karyakartas* and it has invested heavily in capacity development. There are also high levels of member satisfaction in terms of service development (quality and quantity of services provided), and particularly business development. A key factor behind this is the ongoing support and

experience provided by SEWA (both direct and indirect) in helping to address challenges and develop and expand the services the association offers.

Box 2. How the women's association has benefited its members

Even though I started selling RUDI products after [I turned] 50 years of age, now I am earning the same amount as my husband and son.

Surajben, Sanjaya village, Anand district

I had never stepped out of my village until RUDI happened and now, I want to open a small kiosk for RUDI in my village to cater to nearby villages.

Kashiben, Surasama village, Anand district

After joining the association, I was able to earn money and have respect in society by working as a community mobiliser in villages. It is so encouraging that I [have] witnessed the positive changes in the lives of women around me over the years.

Laxmiben Parmar, Anand

I could never even count the money. Now with RUDI, I can sell products of up to 35,000 Indian rupees per month and even manage my account.

Ramilaben Somabhai, Rasnol village, Anand district

Based on the trainings provided on agriculture subjects, I have not only gained knowledge but [I am] also able to do my own farming in a better way as well as join the agriculture surveys in the village that increase my income.

Bharti Vaghela, Anand

The ongoing agriculture training [provided by the association] helped me to make required changes in my farming activities. Now I can proudly be saying that my farm [uses] natural fertilisers and not [...] chemicals. I am also able to replace [my electric] water pump [with] solar energy by getting training and loan financed by the association.

Rekhaben Rathod, Anand

3.1 Advocacy and campaigning

The association is responsible to its members. Tackling issues and problems that they face in their informal work or businesses is a priority for the association to address, especially issues that:

- Affect a large number of women members
- Exist in a large number of areas
- Will have long-term negative impacts on women if not resolved, particularly in relation to their livelihoods and working conditions.

The association's overall vision is for self-employed women working in the informal sector to have full-employment and be self-reliant. It runs campaigns that aim to change official policy, regulations and practices in order to resolve their problems constructively. Campaigns are designed and implemented to achieve long-term, sustainable solutions. Campaigns focus on three priorities:

- Providing market access for self-employed women in the informal economy
- Providing them with access to livelihoods regardless of their age, caste or religion, and
- Providing them with the skills and technologies they need.

The association and SEWA know from experience that an effective campaign requires engagement on multiple fronts, from policy advocacy to raising awareness on the ground. A range of actions has been designed, including policy consultations, awareness-raising programmes, trainings, information, education, communication tools and more.

Successful campaigns resolve issues identified by self-employed women. Leaders (*agewans*) work with members at the local level to promote and strengthen campaign implementation. Examples of successful campaigns include:

- Social security campaign (to offer better services and better pay to women labourers, particularly those working in farming and agribusinesses)
- Agriculture campaign (to promote climate-change adaptation practices as well as providing women with access to agriculture inputs)
- *Hariyali* campaign (a green campaign that promotes solar energy and related education)
- Home-based workers campaign (to build awareness of women's rights as well as access to microfinance services for women-led home-based businesses).

Thanks to these campaigns, a large number of women farmers have committed to using and promote practices that shift from using chemical to organic fertilisers and shifting from diesel to solar energy. With their collective voice, women have also successfully convinced decisionmakers for better pay and large numbers of women have committed to making monthly savings.

3.2 Emergency response

During emergencies that impacts large numbers of members, the association has conducted relief and recovery operations. The women-only response is women-led and targets members and their families. Emergency responses cover wide range of actions, from early warnings to relief operations and recovery efforts. With support of SEWA, the association also mobilises support from donor agencies.

The COVID-19 pandemic has highlighted the differentiated vulnerabilities poor self-employed women workers face like never before. As the pandemic unfolded, its impact on women's welfare, food and livelihood security became increasingly clear. The pandemic and its concomitant lockdowns disrupted livelihoods and value chains. The impact of the pandemic and their ability to cope with multiple shocks has been different for men and women (NIDM and AIDMI 2022). For instance, women have tended to experience more lingering problems related to income and have had greater difficulty accessing food.

The association's response to the COVID-19 pandemic focused on enabling access to basic health resources and information, raising awareness, and restoring livelihoods for its women members. Through individual and community-level work, the association was able to reach out to over one *lakh* (100,000) members using a range of actions. In particular, its digital campaign helped to speed up actions during and post-pandemic among its members, *agewans* and *karyakartas*.

3.3 Business support

Based on long experience, association understands the skills of its members and conducts feasibility studies to unlock potential business opportunities. So far, the association has operationalised three new businesses that are run by the association. These businesses are 100% staffed by women and tap into their existing business skills.

Working with SEWA and its sister organisations, the association has established three business centres. The purpose of these business centres was to create a space where self-employed women can realise their potential. They provide an important contribution to the economic activities of the women members as well as a source of funds for the association. The association provided initial financial support and continues to support these businesses in terms of marketing, promoting the business services to its large membership and networks. The association also provided emergency financial support (for example, during the pandemic).

3.3.1 RUDI food-processing centres

SEWA's Rural Urban Distribution Initiative (RUDI) is a rural distribution scheme that enables the direct promotion and marketing of agricultural commodities procured through the Farmer's Association, a rural retail network of farmers and agricultural labourers in Gujarat. RUDI is an agricultural cooperative owned and operated collectively by groups of SEWA members. The scheme procures produce from smallholder farmers, adding value to their products and then selling the products to the local community through a network of women sales agents known as *rudibens* (GSMA).

The association established a RUDI food-processing centre, located in its own building, that creates economic opportunities for its members to purchase, sell and process food. All of the raw materials – basically agricultural crops – are produced by women farmers who are members of the association. The centre produces 32 products including wheat, rice, cotton, castor, pulses and spices. The women who staff the centre process the food (including cleaning, packaging, mixing, segregating) and then sell the resulting products.



At the RUDI centre, 32 different food products are produced, processed, packaged and sold by the association's members © Vishal Pathak

3.3.2 Kamla Café

The Kamla Café in Anand is managed and run by women members and sells food made from vegetables, grains, cereals and spices produced on members' farms. The trained café team is also involved in marketing and managing the restaurant, taking seasonal orders, providing tiffin services for students and office workers, and caters for events in and around the city and district. The first Kamla Café was opened by SEWA in Ahmedabad. The Anand-based Kamla Café, which was opened as a temporary response to the COVID-19 pandemic, is now a permanent establishment with its own systems (team, budget, accounts, menu and infrastructure).

The Kamla Café both generates income for around 450 women members and promotes traditional healthy foods that have higher nutritional values, such as whole grains, locally cultivated millet (including *ragi*, *jowar*, *bajri*), which is also helping to reconnect young people with traditional foods. The success of Kamla Café in Anand has encouraged five other districts to establish their own cafés.

3.3.3 Zavarba handwoven products

Zavarba is a label of ethnic handwoven products, owned and operated by over 3,000 weavers who are association members in Anand. Zavarba has an integrated value chain that connects artisans weavers directly to consumers, with its own procurement channels, processing and designing centres, and distribution network. Based on growing demand, the association has established six new Zavarba centres in the villages of Sinhol, Piplav, Chaklasi, Rudel, Malataj and Dabhasi.

This business promotes entrepreneurship and financial empowerment for rural women working in the informal economy with more than 65% of profits directly reaching these artisan weavers. The association then uses the remaining proceeds to build the capacity and upgrade the skills of its weaver members. The business is environmentally friendly and the women work from home using handlooms. Zavarba has brought economic, nutritional and social security to its women members.



Zavarba is a label for a variety of ethnic handwoven products. The business is owned and operated by over 3,000 artisanal weavers in Anand who are members of the association © Vishal Pathak

4 What next for the women's association?

4.1 Future prospects

The association still faces a number of challenges at different levels that still need to be addressed. The majority of its members work in agriculture and in the informal economy and their work opportunities are both inconsistent and unpredictable. Often, these members are excluded from accessing traditional financial services due to competition and market trends also create challenges.

However, for its members – who are mostly smallholders in the rural sector – there is huge scope for improving and expanding the ease of access to adequate, appropriate, affordable, technology-aided (digital) financial products and services, especially those related to savings and loans coupled with insurance and pensions. All of these are essential for helping members to achieve financial security. The association is planning to respond to challenges by helping its members to achieve a steady source of income through:

- Access to finance, affordable capital and credit
- Training and capacity building
- Digital and financial literacy
- Access to markets, and
- Access to contingency funds to withstand market and climate shocks.

Capacity development in terms of access to financial services and digital banking is one of the association's highest priorities in terms of improving the efficiency of its delivery of financial services and products. These have evolved over time in response to the needs of its members. However, to continue improving its performance, the association now needs to transform to become more tech savvy so that it can better address weaknesses and threats and turn them into opportunities. This will involve upgrading its automated systems so that loans can be assessed and disbursed more efficiently and quickly. These systems should incorporate loan approvals, documentation, monitoring, data gathering, credit history building, impact assessments and early warning flags to help mitigate credit risks.

The association plans to prepare a five-year strategy for scaling up demand among its members for digital banking and financial services. This will require developing a capacity-building programme on financial and digital literacy for members. The goal is to enable its members to get the maximum benefit from financial and digital services offered by government institutions, associations and other related organisations intended for socioeconomic development.

The association also plans to conduct needs-assessment studies for its existing and proposed members and will review and update its training-programme modules (both for the classroom and online) to bridge the skills gap in terms of re-skilling and learning new skills that are now required, particularly post-COVID. It will also identify villages and areas where it needs to increase its work, including deep-rooted actions and membership expansion.

Finally, the association will create a livelihoods recovery and resilience fund, based on our field experience of the different climatic risks and uncertainties members face. The fund will act as a support mechanism for the poorest of the poor by offering financial services such as a revolving credit fund and insurance. The overall objective is to help members to stabilise and provide the long-term resources needed for building resilience among its vulnerable members.

4.2 Prospects for replication

The success of the association has due to its frequent and constant consultations with its members, particularly through *agewans*, and to the ongoing support and experience provided by SEWA and its sister organisations. The financial services offered have evolved in response to its members needs and in alignment with the development of the association. This was something that the leaders of the association strongly conveyed during the research undertaken for this case study.

Usually, when a microfinance institution is first established, it is common to see the system designed and driven by finance experts. Instead, the association conducted a careful analysis of its members needs and opportunities within their communities first. Much of the support for the economic activities of members has been designed or modified based on ground-level experiences – such as providing livelihoods support to weavers, loans that enable businesses to invest in solar energy, and loans that support home-based businesses to sell their products directly to consumers rather than via middlemen.

For anyone seeking to replicate this process, studying existing informal-sector savings and loan groups or systems is a good starting point for learning about what it required and how to harness their existing strengths. Based on the association's experiences, the following questions are also important to consider:

- How do poor women currently manage their savings and deposits?
- What moneylenders or schemes already allow women to mortgage land or other major assets safely? Are they exploitive or enabling?
- Do these moneylenders advance small loans against future savings?
- Are women able to cope financially during emergencies? What happens when the main income earner of the family cannot work or when a flood or epidemic occurs? What are the general government responses to these emergencies at the local level?
- Can women working in small and informal businesses access business finance and related services, including training and marketing? If so, what are cost or fees involved?
- What are the payment norms, processes and support services available for women workers and how do these compare to those available to men? Are any childcare services available?
- How are local women organised? How has leadership evolved among these women? Are they able to enrol in and access government development schemes?
- What are the key skills and interests of local women? Are these linked to any businesses so far? Is related market access and finance available?

5 Conclusion

Improving the financial resilience of poor self-employed women working in the informal economy requires a shift in perspectives relating to the quality, accountability and access to finance that they have. The needs of local communities and organisations should be at the heart of developing financial services and products, helping them to overcome poverty while at the same time developing their ambitions for the future – not only for themselves, but for the next generation. This involves financial education and providing them with essential fin-tech (finance and technology) skills. The association is actively developing its organisational processes to strengthen the financial services and products it offers to its members. These are rooted in the local economic context and responds to the risks and challenges faced by its women members.

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