Cash transfers to returnee migrant workers promote entrepreneurship in Ethiopia

Many people, especially the rural youth, are increasingly seeing migration as the only way out of poverty in Ethiopia.

Tigist Endalamaw, 28, from Merawi, West Gojjam woreda, Amhara Region is the mother of an eight-year-old daughter. Tigist married at the age of 20, but her marriage lasted for only two years. She was forced to get a divorce, as her husband was not happy with her after she gave birth to a girl. As a result, Tigist began living with eight family members, including her brothers, sisters and mother.

Lack of employment opportunities back in her village limited income-generating opportunities, and the burden of supporting her family members, including her daughter, became difficult. Tigist decided to go to Lebanon to work as a domestic worker. She had a schoolmate working in Lebanon, and their communication through Facebook opened a door for Tigist to travel abroad.

Tigist paid 5,000 ETB (\$100) to a local agent to process her documents to go to Lebanon through a regular channel. She was told she would be paid a salary of \$200/month. "When I arrived in Lebanon, I was forced to pay an additional two months' salary to the local agent linking me to the job", Tigist said. After getting the job, Tigist was only paid \$150/month.

As Tigist did not face any harassment or abuse, she wanted to stay in Lebanon for several years. However, her dreams were shattered by the outbreak of COVID-19. After working there for one year, the COVID-19 pandemic made her life miserable. Tigist's employer stopped paying her salary, providing her only with food and a place to stay in return for her work. She received a salary for only one year and had to work without a salary for another year. This forced her to think about returning to Ethiopia, but it was not easy. After two months of effort, with the support of the Ethiopian Embassy in Lebanon, Tigist was finally able to return home.

"I returned to Ethiopia without a single penny as I was not paid for almost a year, and everything I was paid before that, I sent back to my family", Tigist explained. When she returned, she found that all the money she had sent back home from Lebanon had been spent on supporting her family.

Tigist was unable to find a job and had no capital to start a small business. But she wanted to do something to support her family and for her daughter's education. Tigist tried to sell roasted corn on the roadside, but the income generated from this business was very minimal.

That was when Tigist enrolled in the FAIRWAY programme of the International Labour Organization (ILO). Part of the COVID-19 response, it provided support to returnee migrant workers in the form of cash transfers to meet their immediate needs for three months.

Tigist was one of 806 returnee migrants who received such assistance from the programme. "I received the first cash transfer of 1,500 ETB (\$32), and from that moment, I was only thinking about starting some other small business that might provide me with greater benefits", Tigist said.

"I chose to start selling home-made alcohol by investing the money I received from the programme that was to help meet my immediate needs."

Tigist thought that if she used the money only to meet her immediate needs, she would not be able to sustain her income and the family later on. The locally brewed liquor business was comparatively more profitable, making her more confident in investing the remaining cash transfer of 3,000 ETB (\$64) that she received in two instalments.

"I am so happy and feel so fortunate to have had such an opportunity and support", Tigist said. Though the cash provided by the programme might not be so significant in its monetary value, some migrant returnee workers like Tigist effectively used it to improve their livelihoods.

By investing the full amount received under this assistance in her local alcohol business, Tigist was able to meet her family's immediate needs and save some money each day to expand her business further. "I am trying my best to expand my business to maximize my profits", Tigist said.

