For the people of Legoda Mirga Kebele in Diredawa Administration, Ethiopia’s propensity for drought has caused them to live in poverty. Efforts to respond to poverty had led to an even more severe problem of environmental degradation.

For them, farming and harvesting was becoming difficult since rain was very scarce and unreliable. Despite the scarcity of rain, people still had to make a living and support their family. Thus they resorted to using the next available raw material they could find and began to cut down trees and produce charcoal to sell. In fact, Legedo Mirga had become the main source of charcoal for the Diredawa area.
While they thought they were responding to their immediate economic needs, their actions were playing a big role in worsening the problem at hand. The area became even dryer as deforestation was taking place at a quick pace.

The Ethiopian Catholic Church Social and Development Commission with the support of CORDAID conducted a participatory disaster risk assessment to see what contributions could be made towards decreasing the deforestation and improving the ecosystem by rehabilitating the land. As part of the Partner for Resilience Program (PfR), for this Community Managed Disaster Risk Reduction (CMDRR) project, the community itself identified its problems and proposed solutions to the adverse situation.

One of the main solutions identified to stop further deterioration the environment was moving them away from charcoal production and promoting new income sources by establishing a Saving Internal Lending Community (SILC) project to help initiate new income generating activities (IGA) for members of the community.

Trainings on group formation, fund development, ownership, self-regulation and sustainability and most importantly on environmental restoration were organized for the community. With these trainings the community established 10 SILC in the 3 PAs; each group had 20 to 24 members. Out of the 2,400 households, 235 were producing charcoal, but with the establishment of the SILCs all of them shifted
from this activity towards alternative means of income. The SILCs drew up bylaws and each member began saving Birr 12 per week as of 2013. The project also linked the SILCs with Dire Farmer Cooperative Union, which is a legal entity to save money; subsequently the SILCs became members of the Union.

Once the SILC members were saving regularly and reached Birr 40,990 the project supported the groups with Birr 200,000 of seed money to add to their account with the Dire Farmer Cooperative Union. With the skills acquired from the trainings, members prepared business plans and submitted them to the SILC. Based on the feasibility of their plans, loans were given to beneficiaries.

Support and follow up is continuously provided by the project team from the initial stages of drawing up business plans to their implementation. At the same time, the SILC groups, according to their bylaws, were engaging in area enclosure of the deforested land in coordination with a CMDRR committee of the PA. Participating in natural resource management is clearly stated as a condition for becoming a member of the SILC. Moreover, business plans are expected to have ecosystem management aspects and this is part of the evaluation when requests are made for loans. As a result, a total of 80 ha of communal land were rehabilitated and charcoal production in the area was greatly reduced.

Bekelcha is one of the SILCs formed in Chero Village, Legoda Mirga PA. Adem Chaka, a previous charcoal maker, is a member of Bekelcha SILC and he talks about the change he has witnessed in his life and his attitude about the environment.

"Being a poor farmer I did not have an ox and I could only plough my land with a borrowed ox, which meant I had to first work on the owners land first. By the time it was time for me to work on my land peak farm season would almost be over. So you see I was never able to take advantage of the short rainy season we have here so the harvest I make was not enough to feed my family for a year."

Thus Adem had to cover his expenses by selling charcoal. With the trainings he participated in as a Bekelcha SILC member, Adem began to notice business opportunities around him. He saw that people in his community were travelling to the next town to buy supplies such as cattle feed, sugar, oil, and cigarettes. So Adem presented his business plan to open up a small shop selling consumer goods for the community at an affordable price. He borrowed Birr 2,000 and began to work. Adem is no longer cutting down trees and burning them for daily survival, in fact he is enjoying the benefits of having diversified means of income and is working towards prosperity.

"After I began working on my shop my life has been constantly progressing. Now not only can I afford to sustain my family well, but my asset is also increasing. I have already returned the loan I took out from the SILC and I have purchased 3 cows to strengthen my livestock asset."

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Adem proudly also shares his plans for a better future,

“I was living on my daily earnings which never gave me room to plan for long term. Now I have a growing income and hopefully soon enough I can afford to purchase a truck and emerge into a bigger business. I also continue to save with Bekelcha SILC.”

Like Adem, all the members of the SILCs are actively engaged in various efforts to earn more and change their lives by taking loans and expanding their businesses further. The major business activities they perform are petty trade, fattening, and animal rearing. The community continues to work on rehabilitating the enclosed land hoping for a greener village. Moreover they strictly collaborate with the local authorities for controlling the trade of charcoal and cutting of trees for other purposes in their village. They observed that cutting the trees is a short term and short-sighted solution for their problem whereas in the long term it will worsen their livelihood by further drying their land. Thus they protect their land looking forward to a better and more eco-friendly environment.