

## Recommendations to create enabling economic opportunities

Solely offering alternative economic activities is not enough to eradicate poverty among sex workers. A more holistic approach is needed to improve sex workers' possibilities for successfully developing additional and new economic activities. This approach should include the following points:

1. Initiatives for sex workers need to be developed that take into consideration the specific issues relevant for sex workers, which are different than those of other vulnerable populations. Such initiatives should be compatible with local economic and social conditions of sex workers.
2. Initiatives should also take into account that sex workers are not a homogenous group and their situations can be different depending on the type of sex work they are engaged in, their age, their marital status, whether they have dependents, and the amount of money they earn.
3. NGOs and other institutions should not oblige sex workers to leave sex work to participate in their economic programs. Rather, the programs should be aimed at creating income activities that either create additional ways of making money, or as a possible way to eventually stop working in sex work. The latter should not be imposed by the organizing entity, but decided by the sex workers participating in the initiative.
4. Morally laden language used to describe sex work and sex workers' abilities should be replaced by neutral language. This will contribute to the destigmatization of sex workers.
5. NGO's such as NIKAT working directly with sex workers and who representing the sex workers' voice should be included in networks that establish these programs to assure the inclusion of sex workers' voices in these economic initiatives.
6. Different governmental entities such as Labor and Social Affairs, Micro and Small Enterprises Development and Local Political Administrations working (in)directly with sex workers should work together in intra and inter task forces and networks. This will facilitate knowledge sharing and make the coordination of activities easier and will increase the chance of success of income generating programs for sex workers.



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# Creating Economic Opportunities for Sex Workers in Ethiopia<sup>1</sup>

Policy Brief



In Ethiopia traditional saving and credit schemes such as Iddir and Equb have been functioning for many decades. People who are well acquainted or live and work in the same area organize these saving schemes to increase their income. Building on these traditional initiatives, in 1998 the Federal Democratic Republic of Ethiopia (FDRE) issued a proclamation on Micro and Small Scale Enterprises (MSE) Development Establishment. Additionally, in 2009, FDRE designed a National Micro and Small Scale Enterprises (MSE) Development and Promotion Strategy aimed at creating economic opportunities for economically disadvantaged youth and women. This program supports the development of small businesses. Based on the proclamation, a number of micro-finance institutions have been providing saving and credit services for individuals and groups. Subsequently, the Ministry of Finance and Economic Development (MoFED) revised and integrated these strategies into the country's 5 year (2011-2015) Growth and Transformation Plan (GTP). Local political administrations at Kebele level became responsible for programs which provide the economically disadvantaged residents with subsidized food and housing. Likewise, the Federal Micro and Small Enterprises Agency (FMSEA) and its line offices at Kebele level were delegated the responsibility to facilitate access to working places, market linkages, trainings and technical advice (FDRE, 2009). Hence, the Kebele has a significant role in creating new economic activities and supporting economically disadvantaged populations. While these different initiatives are geared to improving the situation of all economically disadvantaged people, sex workers are excluded from accessing them. This can be attributed to the four constraints discussed below.

## Constraint 1: The Criminal Code of 2005

The Penal Code of 1957 and the newly revised Criminal Code of 2005 refer to "prostitution" as an immoral and degrading practice. In both the old and revised codes, sex work related activities fall under the category of "Exploitation of the Immorality of Others". The Criminal Code of 2005 added new articles regarding third parties. For example, Article 635 prohibits trafficking women and children for sex work. Thus, the act of prostituting in itself is not explicitly prohibited, but the following practices are illegal:

- Gaining from prostitution or immorality of others, maintaining or keeping a brothel (Proclamation No.414/2004; Art. 634)
- Trafficking women or minors, whether by seducing them, by enticing them, or by procuring them or otherwise inducing them to engage in prostitution, even with their consent (Proclamation No.414/2004; Art. 635)
- Keeping women or minors in a brothel with the intent to let them out to prostitute (Proclamation No.414/2004; Art. 635)
- Making arrangements for or provisions of any kind for the procurement of or the trafficking of women or minors (Proclamation No.414/2004; Art. 637)
- Acts of debauchery of any kind - including inciting or soliciting another person to commit sexual intercourse or an act contrary to decency in a public place (Proclamation No.414/2004; Art. 846/ b)
- Becoming a nuisance to others, such as other residents of a dwelling or the inhabitants of a neighborhood by engaging in prostitution or debauchery, (Proclamation No.414/2004; Art. 846/c)
- Publicly advertising debauchery in any way (such as advertising the availability of services for satisfying sexual urges) (Proclamation No.414/2004; Art. 847).

Despite the existence of these articles, sex work is tolerated as "a public secret". This is not because it is considered a legal form of work, but rather because it is assumed that sex work cannot be abolished overnight and in the meantime there are

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too many women who rely on it for their income. The fact that it is tolerated but not legal has ramifications for sex workers' position as workers. Sex workers have no official contract and enter into verbal agreements with venue owners. When financial disputes occur, which are more frequent than not, they have no legal protection.

The language used in the legislation reinforces the moral disapproval of sex work in society. Sex workers are perceived as immoral and victims of third parties, be that traffickers or brothel owners. It denies those who work as sex workers any form of agency. This contributes further to their stigmatization in society.



## Constraint 2:

### The impossibilities of obtaining an Identification Card (ID)

#### Accessing micro-financing services

One of the major obstacles for obtaining access to credit and saving schemes from micro-financing organizations is the condition that potential members must possess either an ID or legal license. These documents are required to prove the applicant's or group's place of residence. Applicants must reside in the district where the micro-finance institution is located (Rayne, 2012; Getaneh, 2015). However, due to the shame and stigma associated with sex work, most sex workers are extremely mobile and do not have a permanent residence. Consequently, they cannot apply for an ID. Thus, sex workers unwillingly become undocumented citizens.

*“ ... I was born in Dangela, Awizone, and I came to Addis Ababa 7 years ago running away from home after my mother and father died of AIDS. I started working in Zenebework area as a waitress and gradually joined sex work to get more money and change my life. However, saving money was impossible for me because the bank asked me to show my ID to open a bank account. I could not get an ID card here for no one was willing to testify for me that I live in Addis. I cannot go home because no one is there and I know very little about the area now, as I left a long time ago... I then started saving with the bar owner. However, since we did not have a formal agreement because of the lack of an ID card, the woman refused to give me all my money. She took nearly half of it. She said I broke so many glasses and should pay to replace them. I cried but had to accept whatever she gave me for I do not have a legal agreement to take the case to the police or the court...”* (Titi's story, a 23 year old sex worker)

#### Access to social protection programs

Local political administration offices at Kebele level provide disadvantaged residents with subsidized food and housing (MoFED, 2011). For access to these programs an individual must be in the possession of an ID, a document which proves their poverty level, and another document that states they do not own any residence or property. All of these documents can only be obtained in the Kebele the individual resides. Here once again, sex workers' mobility makes it almost impossible to obtain the required documents. Therefore they do not have access to these needed services.

## Constraint 3:

### FMSEA's prerequisite of residing in the same Kebele

Besides being in possession of an ID, FMSEA obliges individuals who want to organize a cooperative to live in the same Kebele. Furthermore, members of these cooperatives need to submit proof of their employment status, also obtained from the Kebele (FDRE, 2009). These preconditions exclude sex workers because many sex workers who want to start an initiative together do not live in the same Kebele. Sara who was a member of a self-help group described her experience:

*“... With a membership ID card issued to us by Nikat, fifteen of us opened a bank account and started saving to form a*

*cooperative to access services from FMSEA line offices under Nikat's liability. However, when we went to apply to the FMSEA's office, they told us the requirements which include forming cooperatives in our respective Kebeles and producing proof of residence and employment status. Since we were undocumented in our respective Kebeles, our initiative to establish a cooperative failed right from the start...”* (Sara, 26 year old sex worker)

## Constraint 4:

### Economic programs and the prerequisite to abandon sex work

Many NGOs and other actors who cater to sex workers have set the precondition that sex workers must abandon sex work if they want to participate in their programs. In reality however, this demand is unrealistic and is one of the causes that new economic opportunities fail. Previous studies conducted by Nikat (2013), Ethiopian Health and Nutrition Research Institute (EHNRI, 2012), FDRE (2012) and this study shows that it is economically unfeasible for most sex workers who were trained as hairdressers or tailors, or given seed money for new businesses, to stop doing sex work. The income earned from their new economic venture is far less than the income they earn from sex work. One of the sex workers who was a member of a bakery cooperative group established by Nikat explained her situation as follows:

*“ ... my friends and I established a bakery cooperative and we quickly stopped functioning as a result of disputes among members as we wanted swift and tangible returns before the intervention took off. Since we are accustomed to using all our money to cover immediate daily needs and requirements, it was difficult for us to automatically stop sex work and start another new livelihood...”*

Overs (2014) argues that merely offering alternative income to stop doing sex work will not only be ineffective for sex workers. Rather, these initiatives will unintentionally result in further disempowerment of sex workers. This is due to the following obstacles:

#### Lack of sex workers' participation in economic income programs

Economic income programs are planned and executed without meaningful participation of sex workers. NGOs and other actors wrongly assume that they know what sex workers need without consulting them. Moreover, sex workers are often portrayed as a homogenous groups with common interests while, in fact, they are a diverse group often with conflicting interests.

#### Lack of social network

In general, alternative income programs provided for sex workers rely on social networks to guarantee success. Sex workers' social networks and social capital are confined within the realm of sex work. They do not possess a relevant network outside of sex work which could support them in their new economic venture. Consequently, sex workers often become discouraged and disillusioned because their success is dependent on a network they do not possess. They do not have people to consult for technical advice or to help them enter the market. Hence, the absence of social capital outside of the domain of sex work contributes to the failure of their initiative.

#### Marginalization and Stigmatization

NGOs and other actors working with sex workers often unintentionally contribute to their further marginalization and stigmatization. They often assume that sex work is the worst kind of work and therefore any other type of work will be an improvement. Furthermore, because these economic alternatives generally fail they assume that it is the sex workers' fault and that they will never be able to change – “once a sex worker, always a sex worker”. Some institutions admit they prefer working with other socially marginalized groups than sex workers. They blame the sex workers for the failure of the activities and describe them as lazy, dishonest and incapable. An NGO programme officer explicitly questioned sex workers' dedication.

*“Yes' may mean, 'yes, so long as it's not backbreaking work for long hours' or 'yes, but not in a garment factory because that's where I came from' or 'yes, but I am moving to another town quite soon.’”*

Such negative perceptions have repercussions on different levels. Often, when sex workers attempt to take on other economic activities, their peers and other social referents in the sex industry discourage them and deride them for being naïve and wasting their time. Moreover, it contributes to sex workers self-stigmatization, and the belief they are incapable to make new income activities succeed.

*“... from my experience it is impossible for us to be successful in alternative income activities by ourselves, unless another person (preferably a man) outside of the sex industry joins and leads us into cooperatives. I do not trust mine and my peers' capability in this regard...”*

(Qonjit, female sex worker 38)

