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**Follow-up to the World Summit for Social Development and
the twenty-fourth special session of the General Assembly:
priority theme: strategies for the eradication of poverty to
achieve sustainable development for all**

Statement submitted by Association for Integrated Sustainable Development Initiatives, a non-governmental organization in consultative status with the Economic and Social Council*

The Secretary-General has received the following statement, which is being circulated in accordance with paragraphs 36 and 37 of Economic and Social Council resolution 1996/31.

* The present statement is issued without formal editing.



Statement

Eradicating Poverty Through Revolving funds in the south west region of Cameroon

The Association for Integrated Sustainable Development Initiatives was created as a community-based association to wipe out ignorance in rural communities about the tools and means necessary for their economic and social emancipation. The association's objectives are to carry out activities geared towards their empowerment through sustainable management of their resources. And by harnessing their effort to undertake ventures that will boost their income, eradicate poverty, ameliorate their health conditions and improve their living standards.

Poverty is broadly defined as a state of having little or no money and few or no material possessions. In Cameroon, the government defines the poor as a group of people whose living conditions are conspicuously worse than the "average" person. At the global level, the poverty line was fixed at one dollar per day. This line is contextualised in time and space. In Cameroon, the poverty line in 2007 stood at US\$465 per adult equivalent and per year and US\$400 in 2001, making a face value increase of 15.8%. Thus a household was considered poor in 2007 if on average, an adult in this household lived on less than US\$465 per year being US\$1.27 per day. This sum corresponds to the minimum necessary to satisfy the basic needs of an individual.

There is more poverty in households headed by men than in those headed by women. In fact, 41.6% of households headed by a man are poor compared to only 33.4% of those headed by a woman. The third Cameroon Household Survey also identified microeconomic factors of poverty, factors that cause poverty and contribute in marginalising some segments of the population. The main factors identified are the household size and access to factors of production (land and credit).

Several years ago, in the rural communities of the South West Region of Cameroon, a wealthy man was identified by the number of women he was married to, the size of his household, the size of his farm, the quality of his house and the number of educated children in his home. Any person who hadn't these endowments was considered poor. Today, and in the same community, anyone who cannot provide adequate shelter, clothing, feed his family conveniently, afford medical bills, afford for the children's school needs and always borrows in time of need, is considered poor.

AISDI's goal of preparing this statement is to help put an end to poverty.

Cameroon's vision is reducing the income poverty rate from 39.9% in 2007 to 28.7% in 2020. This makes a marked difference from the Millennium Development Goals. The underprivileged communities both in the rural and urban areas of our region, dwell in a perpetual poverty circle that is either self-induced or induced by the surrounding environment. In Cameroon, out of a population estimated at close to 15.5 million in 2001, 6.2 million people were considered poor. In 2007, the Cameroon Household Surveys conducted nationwide in 1996, 2001, and 2007, estimated the population of the country at close to 17.94 million with 7.1 million poor people. Almost 94% of the people classified as the poorest quintile live in rural

areas, as against only 2% in the capital city of Yaoundé, 2% in the commercial city of Douala, and 6% in other cities. The disparities noticed depend probably on access to revenue by the population in their area of residence. We want to show that in the Cameroonian context, the implementation of a Revolving Fund can be a convenient approach to be used to eradicate poverty. AISDI's purpose is to empower the underprivileged economically using available resources and through a holistic approach to involve them in income-generation activities, create wealth, remove them from the poverty circle, ameliorate their health conditions and improve on their standard of living.

Our work is to identify underprivileged communities and their needs, jointly elaborate plausible solutions and scout for ways and means to solve the problems. We develop micro-projects, train the communities concerned, scout for funding, monitor the execution of these micro-projects and report to donors as necessary.

The issues at stake include; inaccessibility to quality health care, poor feeding habits, deplorable housing conditions, low level of education for children and the youth and inaccessibility of women to resources and factors of production.

AISDI focuses on improving the livelihood of the underprivileged and enhancing the emancipation of the women in all spheres of life. Any endeavour that has to do with these aspects is directly related to our work.

AISDI has trained thirty-six Farmers Organizations, written twenty-eight Micro-Projects of which thirteen were financed and whose execution we consequently monitored.

The challenges we face include, sourcing for qualified Resource Persons to carry out our training, inexistence of adequate means of transport to access the rural communities, the absence of funding for training, hosting of trainees and meeting up with our operational costs and the absence of government motivation.

We expect the underprivileged resource-poor communities themselves and their representative organizations to engage in the eradication of poverty. We expect their full participation in programmes geared towards helping them eradicate poverty. Through this participatory approach, the marginalised populations are empowered because they have a say in the decision-making process and are adequately represented in the administration of their communities. We wish that government meets its target, which includes, establishing living conditions that will enable the underprivileged to integrate themselves into economic life. To also respond to their primary needs by breaking down barriers in the areas of rural financing and socioeconomic development and, developing and maintaining farm-to-market and rural roads, improving socioeconomic infrastructure, supporting community and participatory development and community management of forest and wildlife resources.

The government should encourage Social Funds. Creating Social Funds has become a mainstream poverty reduction strategy. These funds aim to increase incomes and quality of life by developing rural infrastructure, improving health services and education, promoting small businesses and micro-enterprises and creating jobs. The government should also encourage the Civil Society through subventions. We funders should promote viable and sustainable programmes and

projects, especially on a multi-year basis. AISDI should employ more staff and ensure that they are trained on targeted domains.

Though we encourage grants to be made to large organizations who subsequently transfer them to the beneficiaries, we note with regret that most of the time these funds do not always reach the poorest or most vulnerable. But we particularly discourage grants to be made directly to small farmer groups who see the grant as free money and have the tendency to mismanage the funds. Moreover, they tend to become too dependable on external funding.

We also noted that though Micro Finance Institutions and Associations play a fundamental role in improving access to funds to finance income-generating activities, their interest rates are exorbitant and become a limiting factor in the fight against poverty. After several years of experience working with the rural population, we recommend that grants to the underprivileged be converted into revolving funds where they can borrow with a very low interest rate and with convenient and affordable collateral. Through this investment, mechanism resources are channelled directly into projects that meet the needs of the local people. These mechanisms have the ability to be flexible, having minimum transaction costs, being expedient, meeting each size of needs, being close to the beneficiaries and being completely appropriated by the beneficiaries.

The implication for the Sustainable Development Goals agenda to especially achieve goals of reducing inequality and increasing inclusive is to ensure that private actors are much more engaged but even more importantly that the poor become private agents of wealth creation albeit in a sustainable manner. To meet this challenge, one of the ways to sustainably eradicate poverty, is through a revolving fund that should be made available to the underprivileged communities with a well-managed lending scheme, proactive monitoring and evaluation mechanism and with an external audit system put in place that will assure accountability and transparency. This, however, does not provide a universal solution to the plight of the underprivileged communities, but it has a positive effect on social status, marginalisation and poverty alleviation.
