



# ENGENDERING UTILITIES PARTNER PROFILE EEU, ETHIOPIA

USAID partners with Ethiopian Electric Utility (EEU) to improve women's participation in Ethiopia's energy sector.

When women serve as leaders and employees, businesses benefit and company performance improves. **USAID's Engendering Utilities program works to increase women's participation in the energy and water sectors globally.** In May 2020, Engendering Utilities partnered with EEU to design workplace initiatives that will expand job opportunities for women and enhance the utility's performance.

The Ethiopian government maintained a monopoly on the energy sector for decades through the Ethiopian Electric Power Corporation. In 2013, this entity split into two separate state-owned utilities: Ethiopian Electric Power (EEP), which manages generation and transmission, and EEU, which manages power distribution and sales. EEU has more than 2.7 million customers and aims to connect 100 percent of the country to the grid by 2025.<sup>1</sup> Out of more than 18,000 employees, only 21 percent are women.

Recognizing that diverse teams build better businesses, EEU partnered with USAID to increase gender balance across the company and encourage more women to enter Ethiopia's energy sector.

# **ETHIOPIA'S ENERGY SECTOR**

Rapid population growth in Ethiopia has strained government efforts to expand access to electricity, especially in rural regions. While the country's grid covers 80 percent of the population,<sup>2</sup> only 44 percent of Ethiopians currently have access to electricity.<sup>3</sup> This figure drops to only 31 percent in rural parts of the country.<sup>4</sup> Ethiopia is one of the only countries in the world to obtain all its energy from renewable sources. Over 90 percent of the country's energy comes from hydroelectric sources, while the remaining seven percent comes from other renewable sources such as solar, wind, and thermal energy.<sup>5</sup> Hydropower presents a clean energy solution to improving access to electricity, but recent droughts have impacted the capacity of hydroelectric power plants in Ethiopia. The government aims to make Ethiopia more climate-resilient by diversifying its energy sector and increasing the percentage of energy that comes from solar, wind, thermal and other renewable sources.<sup>6</sup>

Ethiopia aims to become a middle-income country and achieve 100 percent electrification by 2025. In 2010, Ethiopia launched its Growth and Transformation (GTP) initiative, a 15-year plan that outlines the path to becoming a middle-income country.<sup>7</sup> The country also adopted a National Electrification Program in 2017 with the goal of achieving universal access to electricity by 2025.<sup>8</sup> The government managed all electric utility services through a centrally planned system for decades but has recently experienced financial constraints and challenges in keeping up with updates and new technologies. In response to these challenges, the government signed a Public Private Partnership Proclamation in 2018, which established a new procurement framework that allows private firms to invest in the energy sector, creating a more competitive and transparent market.<sup>9</sup>

Engendering Utilities' work with EEU will ensure women capitalize on increased investment in Ethiopia's energy sector as the industry and labor force continue to grow.

## **GENDER EQUALITY IN ETHIOPIA'S ENERGY SECTOR**

A complex web of contributing factors prevents women in Ethiopia from joining the formal workforce; particularly the male-dominated energy sector. This industry is a key growth area for Ethiopia, and the exclusion of women from opportunities in this market deepens Ethiopia's gender equality divide.

Ethiopia has made strides toward gender equality, most notably through the election of the country's first female president, Sahle-Work Zewde, in the 2018 election.<sup>10</sup> Despite this, the opportunities available to Ethiopian women lag far behind men in almost every aspect of life. Only 44 percent of women are literate,<sup>11</sup> only 35 percent of university students are women,<sup>12</sup> and only seven percent of those women pursue degrees in traditionally male-dominated areas, like the STEM fields.<sup>13</sup> While female participation in the labor force is relatively high (76 percent), only 20 percent are employed in senior or middle management roles, and only five percent are top managers.<sup>14</sup> As a result of these inequalities, men earn on average 72 percent more than women.<sup>15</sup>

Harmful cultural practices and gender norms further impact a woman's ability to join the formal workforce. Early marriage is common in Ethiopia, with 40 percent of women married by age 18, and 14 percent married by age 15. Gender-based violence is also an issue in Ethiopia. When women work in male-dominated fields, gender-based violence and sexual harassment abounds. According to a study conducted by the government of Ethiopia, one in two women reported that they experienced violence in the workplace.<sup>16</sup> UN Women estimates that nearly 30 percent of women in Ethiopia have experienced intimate partner violence, though it is believed the actual number is higher as few women

who have experienced abuse seek help.<sup>17</sup> Cultural norms perpetuate abuse, and over 60 percent of women believe that a husband is justified in beating his wife.<sup>18</sup> Additionally, 65 percent of women have experienced female genital mutilation (FGM)—an internationally recognized human rights violation.<sup>19</sup> Domestic violence has real costs for companies. One study estimates that violence against women costs \$1.5 trillion in direct costs and lost productivity, globally.<sup>20</sup> Employers that work to reduce and mitigate violence and harassment both at home and work improve the well-being and productivity of men and women at work.

Engendering Utilities supports companies—like EEU—to consider and respond to factors that reduce women's workforce participation by building inclusive policies and practices that benefit women, men, and businesses in the energy sector.

# **GENDER EQUALITY IN ACTION AT EEU**

Engendering Utilities uses an <u>evidence-based methodology</u> to support women's participation in Ethiopia's energy sector. The program supports EEU to increase opportunities for women by introducing gender equality initiatives at each phase of the employee lifecycle: from reducing gender bias at the hiring stage, to creating strategies that will help retain female talent. Using a <u>framework</u> for change, Engendering Utilities is supporting EEU towards their goal of advancing gender equality within the organization.

A dedicated change management coach supports the utility and works directly with three staff to become agents of change within EEU. A baseline assessment is conducted to identify gaps and opportunities for improving gender equality across the company. The findings are used to develop a strategic action plan that will facilitate EEU's gender equality goals. This is supplemented by the program's partnership with the Georgetown University McDonough School of Business, which delivers the <u>Gender Equity Executive Leadership Program</u> (GEELP) to three utility employees. The GEELP is a best-in-class 12-month executive course that empowers decision-makers to integrate gender equality initiatives into their corporate structure.

Engendering Utilities will also work to support and accelerate existing gender equality initiatives underway at EEU, including:

- Establishment of the Women, Children and Youth Affairs Directorate, which will report to the CEO's Office and is staffed by a Director, Office Manager and three full time gender experts. The Directorate is charged with increasing women's leadership and ensuring that the work environment at the utility is optimized to attract and retain female talent.
- Adoption of a Gender Mainstreaming Policy, which includes goals for increasing the number of women at the utility.
- Gender and Citizen Engagement Work Program, an expansive suite of measures including scholarships, mentorships, training, and policy changes. Under this Program, EEU has provided leadership skills training for its key female staff, adopted a sexual harassment policy, and is establishing childcare facilities in several offices.
- **Establishing Quotas for Recruitment,** so that all recruitment efforts include at least 50 percent women as candidates, enabling EEU to achieve a workforce that includes 30 percent women.

## FOR MORE INFORMATION

#### **Amanda Valenta**

Senior Energy Specialist Office of Energy and Infrastructure, USAID avalenta@usaid.gov

## **Corinne Hart**

Senior Advisor for Gender and Environment Office of Gender Equality and Women's Empowerment, USAID cohart@usaid.gov Jessica Menon Gender Advisor Tetra Tech jessica.menon@tetratech.com

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### NOTES

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