DECSI's ETB 94 Million Recovery Financing: Restoring Businesses, Empowering Entrepreneurs, and Rebuilding Livelihoods

Through a strategic partnership with the Development Bank of Ethiopia (DBE), DECSI has introduced a loan recovery mechanism designed to reduce customers' financial risks and support business recovery. Funded by the European Union, Germany, and the Netherlands, with DBE as the lead implementing institution, the initiative has so far provided **ETB 94 million to 34 beneficiaries** in Mekelle and Adigrat, including 14 women entrepreneurs and various business entities engaged in pharmaceutical, garment, manufacturing, cosmetics, and detergent production.

Within nearly two months of implementation, beneficiaries have collectively repaid **ETB 1.85 million**, demonstrating encouraging repayment performance. However, the renewed conflict in Tigray has affected some businesses, leaving three beneficiaries with outstanding repayments totaling ETB 166,666.68.

Beyond the figures, this initiative tells a story of business resilience, financial recovery, and renewed hope. This case study highlights the real-life experiences of three beneficiaries, exploring how recovery financing has helped their businesses, the challenges they face, the lessons they have learned, and the difference this support has made in their lives.

From Recovery Financing to Business Growth: How DECSI Helped Alpha Pharmaceutical PLC Expand and Create Jobs

A timely loan. A growing business. Thirty livelihoods supported.

Alpha Pharmaceutical PLC is among the beneficiaries of DECSI's loan recovery initiative, demonstrating how timely financial support can help businesses regain momentum, expand operations, and create employment opportunities. Established by three individuals, Alpha Pharmaceutical PLC began its relationship with Dedebit Credit and Saving Institution (DECSI) in 2023, when it first accessed loan financing. Over time, the partnership grew stronger, opening the door to another significant financial opportunity: a recovery loan of **ETB 6 million**.

For Mr. Kelali Mehari, an MA holder in Pharmacy who oversees the company's overall operations, this financing came at a critical time. "The recovery loan enabled us to purchase essential raw materials, including petroleum jelly, white oil, refined gasoline, liquid containers, and other necessary inputs. This helped us meet our business demands and sustain our operations," he explained.

Beyond Financing: A Partnership That Cares

For Alpha Pharmaceutical PLC, DECSI's contribution went beyond financial assistance. It also demonstrated the importance of maintaining a strong relationship with customers, particularly during challenging times.

Recalling the difficult period in September 2026, when communication services were interrupted in Tigray, Mr. Kelali shared an experience that left a lasting impression on him. "When all communication services stopped in September 2026, our hearts were broken. What truly impressed us was that, as soon as services such as Ethio Telecom were restored, the first call we received came from DECSI staff, probably our customer service officer. Despite their own personal challenges and responsibilities, they reached out to ask about our business and how we were doing. This gesture motivated us to value DECSI and its employees even more. Only afterward did calls from our families, parents, and friends begin to come through," he recalled.

This experience reflects the human side of DECSI's customer-focused approach: building relationships that extend beyond financial transactions.

Six Million Birr, Thirteen Additional Jobs



According to Mr. Kelali, the recovery loan was facilitated quickly and reliably, enabling the company to respond to its business needs and maintain operations without unnecessary delays.

The impact is also evident in the company's employment record. Before receiving the recovery loan, Alpha Pharmaceutical PLC employed 17 people. Following the financing, its workforce increased to **30 employees**, an additional 13 job opportunities. The workforce includes professionals, daily labourers, sanitation workers, and security personnel, reflecting the wider employment benefits generated by the company's business expansion.

Responsible Repayment Despite Challenges

Despite the continuing challenges associated with the renewed conflict in Tigray, which has significantly affected its business operations, Alpha Pharmaceutical PLC has maintained a satisfactory loan repayment record.

Remarkably, **the company has no registered loan arrears**, demonstrating its commitment to financial responsibility and its determination to honour its obligations even under difficult circumstances.

A Partnership That Delivers Results

The experience of Alpha Pharmaceutical PLC illustrates the transformative potential of DECSI's recovery financing: supporting business continuity, strengthening customer relationships, expanding employment opportunities, and promoting responsible loan repayment.

For Alpha Pharmaceutical PLC, the ETB 6 million recovery loan was more than financial assistance. It was an opportunity to rebuild business momentum, respond to market demand, and create additional jobs.



Girls at Alpha pharmaceutical PLC while packaging adult Vaseline [Photo DECSI-PR 14 Nov. 2026]

A Loan, A New Chapter of Growth: The Success Story of Desalegn

From Seven Sewing Machines to 23: How a DECSI Loan is Transforming a Garment Business and Creating Opportunities

At 29, Desalegn Berhanu is more than a garment entrepreneur. He is a father of two, an employer, and a determined businessman whose journey demonstrates how access to finance, professional commitment and perseverance can turn challenges into opportunities.



Desalegn with his garment products [Photo DECSI-PR 14 Nov. 2026]

Based in Mekelle, Desalegn has been engaged in the garment manufacturing business for several years. His relationship with Dedebit Credit and Saving Institution (DECSI) dates to 2018, when he first accessed credit to support his business and personal development.

Since then, he has borrowed from DECSI on three occasions. His smallest loan, amounting to ETB 192,000, was invested in constructing a residential house on a 70 square metre plot (70 Kare). Over the years, he continued to develop his business, gradually building his capacity and expanding his operations.

A New Opportunity for Business Recovery and Expansion

Despite the challenges facing businesses in Tigray, Desalegn remained determined to sustain and expand his garment manufacturing enterprise.

Recognizing the importance of supporting viable businesses and restoring economic activities, DECSI provided him with an ETB 5 million loan through its loan recovery program. The financing has enabled him to purchase sufficient raw materials from Addis Ababa, strengthen his production capacity and expand his market reach. His business now supplies garments in bulk to traders in several towns, including Shire, Axum, Adwa, Adigrat and Abiy Adi.

The impact of the financing is also reflected in the remarkable expansion of his production capacity. Previously operating with only seven machines, he now owns 23 machines, including Singer, overlock, interlock, buttonhole and other specialized garment making machines.

"To me the loan is a gift. It has enabled me to expand my business and purchase additional machinery. My production capacity has significantly increased, and I can now serve more customers and supply traders in different towns" Desalegn explains.

A Loan That Means More Than Money

For Desalegn, the value of the loan goes beyond its financial amount. It represents trust, opportunity and a renewed chance to grow. He particularly appreciates DECSI's responsiveness and its commitment to supporting entrepreneurs who are ready to work and grow.

"DECSI is a trustworthy institution. It quickly recognized my business needs and provided me with the financing I needed to continue working and expand my business" he says. He also acknowledges the dedication of DECSI employees, particularly their efforts to follow up on borrowers, provide guidance and help protect the institution's financial resources. "They encourage us to remain engaged in our businesses and closely follow up on our progress" he adds.

Resilience, Employment and Responsibility

Beyond expanding his business, Desalegn's entrepreneurial journey has contributed to employment opportunities for others. At one point, his business employed 30 workers. Currently, 15 employees remain actively engaged in the business, while some of the former workers have moved on to pursue their education and other opportunities.

Despite the difficult business environment and the challenges affecting the region, Desalegn continues to demonstrate his commitment to his business and his loan repayment obligations.

His experience illustrates an important principle of responsible lending: credit is most effective when it reaches committed entrepreneurs who invest it productively and remain accountable for repayment.

For DECSI, loan recovery is not simply about collecting outstanding payments. It is also about restoring productive businesses, protecting financial resources, supporting livelihoods and rebuilding economic confidence.

A Message to Fellow Borrowers

Drawing on his experience, Desalegn has a clear message for other borrowers and aspiring entrepreneurs: "Accessing and managing a loan requires courage, focus and professional commitment. This is a time for determined and hardworking people. A loan should not be something to fear. What matters is having the skills, dedication and determination to use it properly."

A Success Story That Inspires

Desalegn's journey demonstrates that a loan can be much more than financial assistance. When properly utilized, it can become a foundation for business recovery, expansion, employment creation and improved livelihoods.

From seven sewing machines to 23, from a small-scale operation to supplying traders across several towns, his story reflects the potential of responsible financing and the determination of local entrepreneurs.

Through its loan recovery initiatives, DECSI continues to demonstrate that supporting borrowers to restore and expand their businesses while strengthening repayment responsibility is an important pathway towards sustainable economic recovery.



Job opportunities created for young girls in Desalegn's garment [Photo Credit DECSI-PR 14 Nov. 2026]

From A Woman with No Business to A Successful Entrepreneur

How DECSI Loans Transformed Atsede Berhanu's Life and Created Employment Opportunities

A Journey That Began with ETB 10,000

For Atsede Berhanu, a 35 years old mother of six and a married woman living in Mekelle, life was once very different. Before starting her business, she had no independent source of income and spent most of her time at home. However, her determination to change her circumstances and improve her family's livelihood inspired her to take a bold step towards entrepreneurship.

In 2008 E.C, Atsede accessed her first loan of ETB 10,000 from Dedebit Credit and Saving Institution (DECSI). With this modest financial support, she launched her concrete block manufacturing business. What began as a small business gradually developed into a growing enterprise. Through hard work, commitment, and effective loan utilization, she continued accessing and repaying loans, completing three successive loan cycles before receiving her current loan.

From a Small Beginning to a Growing Enterprise

Today, Atsede's business has expanded to two operational sites. Recognizing the growing potential of her enterprise, she recently accessed a loan of ETB 3 million from DECSI to strengthen and revitalize her concrete block manufacturing operations. Her commitment to financial responsibility is equally impressive. Despite the challenges of running a business, she has already made three repayments on her current loan according to the agreed repayment schedule.

Her business currently provides employment for eight people, including a female employee, with additional support staff such as a security guard and a water attendant. Beyond creating jobs,



Atsede in her concrete block manufacturing business production site [Photo Credit DECSI-PR 14 Nov.

Atsede has also helped many people in her neighborhood and surrounding community acquire practical skills and learn how to engage in income generating activities.

Loan Repayment: A Commitment That Creates More Opportunities

Atsede's experience demonstrates that access to finance, when combined with hard work, determination, and responsible loan repayment, can create lasting economic opportunities.

Her timely repayments are not simply a fulfillment of a financial obligation; they also contribute to the sustainability of DECSI's financial services, enabling the institution to extend similar opportunities to other aspiring entrepreneurs. Her journey is a practical example of how microfinance can transform individual lives, support small businesses, create employment, and contribute to community development.

In Her Own Words

Reflecting on the remarkable transformation in her life, Atsede expressed her appreciation to DECSI, saying: "DECSI has transformed me from a woman who had no business into a businesswoman." These powerful words capture the real impact of financial inclusion and the difference that access to finance can make in people's lives.

A Story of Transformation and Inspiration

Atsede's journey is more than a business success story. It is a story of determination, responsible borrowing, timely loan repayment, women's economic empowerment, and community transformation. From her first ETB 10,000 loan to her current ETB 3 million investment, her journey reflects the power of perseverance and the importance of responsible financial management.