



Scaling Care Economy in Africa:

Scaling Child Care Innovations

To Promote Women's Economic Empowerment and Child Development in Ethiopia

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This document is developed through the collective efforts, collaboration, and commitment of different institutions and stakeholders working to strengthen childcare systems, promote women's economic empowerment, and improve early childhood development outcomes in Ethiopia.

The Project entitled as Scaling Child Care Innovations to Promote Women's Economic Empowerment and Child Development in Ethiopia is being implemented in Consortia where the *Ethiopia Policy Studies Institute is the lead*, *ActionAid Ethiopia (AAE)* is a gender and advocacy partner and the *Addis Ababa City Administration Mayor's Office* and the *Addis Ababa City Administration Women, Children and Social Affairs Bureau* as the mandated government bodies for the implementation of the Child Care Centres in Addis Ababa.

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Acronym

AAE	ActionAid Ethiopia
CSO	Civil Society Organization
FDRE	Federal Democratic Republic of Ethiopia
GAC	Government Affairs Canada
IDRC.CRDI	International Development Research Centre
PSI	Policy Studies Institute
UN	United Nations

Introduction

ActionAid Ethiopia (AAE) is a gender justice, good governance, and poverty eradication organization. It envisions a country where all enjoys their rights equally and live a decent life. Its heart lies on gender equality where it designs its frameworks and operations on women's and girls' empowerment and abolishing root causes of violence against women and girls. Its interventions are guided by the Human Rights Based Approach, Gender Transformative and Intersectional Feminist Approaches.

Policy Studies Institute (PSI) in partnership with ActionAid Ethiopia (AAE) with the involvement of key government actors, Addis Ababa City Administration Mayor's Office and the Addis Ababa City Administration Women, Children and Social Affairs Bureau, is generating evinced and supporting the Scaling of Child Care to Promote Women's Economic Empowerment and Child Development project funded by the International Development Research Centre (IDRC.CRDI) and Government Affairs Canada (GAC), aiming to enhance access to quality childcare, support women's economic participation, and strengthen child development outcomes.

In Ethiopia, children under the age of five account for approximately 16% of the national population, while pre-primary education enrollment remains low. Childcare is increasingly recognized as a critical component of social and economic development, particularly in advancing women's economic empowerment and promoting early childhood development. In Ethiopia, women continue to carry a disproportionate share of unpaid care and domestic responsibilities, limiting their participation in education, employment, leadership, and income-generating opportunities. Recognizing these interconnected challenges, significant efforts have been made to expand childcare services and strengthen systems that support women, children, and families.

This document presents key findings and emerging lessons from the implementation and assessment of childcare services initiative between 2023 and 2026 in Addis Ababa. It highlights progress made in expanding childcare access, improving women's labor participation, strengthening child development outcomes, and increasing public investment in childcare systems.

The study begins by situating childcare within Ethiopia's broader socio-economic and demographic realities. Women globally spend approximately 3.2 times more hours on unpaid care work than men, and this imbalance continues to limit women's economic participation and income-generating opportunities. The document also outlines persistent challenges related to service quality, disability inclusion, workforce conditions, governance, and sustainability. Overall, the findings reinforce the understanding that childcare is not only a social welfare service, but also essential economic infrastructure.

1. Baseline Assessment Findings

1.1. Understanding the Existing Childcare Landscape

The baseline assessment conducted by the Policy Studies Institute (PSI) explored the status of childcare services, women's unpaid care responsibilities, childcare accessibility, and the broader relationship between childcare and women's economic participation. The findings demonstrated that women continue to carry the overwhelming majority of unpaid care work within households resulting in their economic disempowerment and hence compromising the healthy development of children; hence, justifying the design and implementation of childcare services which also works towards the economic empowerment of women. This unequal distribution of care responsibilities limits women's ability to engage consistently in paid employment, entrepreneurship, education, and other opportunities for economic advancement.

The assessment also found that many working women lacked access to affordable and reliable childcare services, particularly women engaged in informal and precarious employment. Despite existing efforts to expand childcare services, the study identified important gaps in accessibility, quality, standardization, and inclusiveness.

In terms of the demand for the service, the majority of public workers are making use of childcare services showcasing its relevance both from the perspective of children and women. From the perspective of care workers (women constituting the majority), they are satisfied for being provided with the opportunity to engage into economic activities while also demanding for improvement in its benefit package to align to the workload.

1.2. Major Findings from the Baseline Study

The baseline findings highlighted the urgent need for stronger systems, training, and coordination mechanisms to improve childcare delivery and sustainability. The findings further established a strong foundation for the project's implementation and future monitoring efforts

- Demand for affordable childcare services was extremely high
- Childcare access directly influenced women's ability to participate in economic activities
- Existing childcare services varied in quality
- Care workers requested better working conditions and improved compensation
- Women viewed childcare services as essential for balancing work and family responsibilities
- There was limited standardization across childcare service models
- Disability inclusion remained weak across many childcare centres

Based on the findings of the baseline analysis, the project has been designed to intervene in the following areas:

01

Building capacity of childcare workers through training manuals

02

Promoting disability inclusion in access to childcare services

03

Standardizing services through minimum service standards

04

Promoting coordination to expand service and enhance quality

05

Generating evidence to transform legal, policy, and structural frameworks

To ensure sustainability and increase impact, the design and implementation of the project are being carried out with the involvement of key government actors, including the Addis Ababa City Administration Women, Children and Social Affairs Bureau and the Addis Ababa Women and Social Affairs Office, as well as CSOs such as AAE and PSI.



2. Midline Evaluation and Women's Economic Empowerment

The project's midline evaluation examined how childcare services contribute to women's economic empowerment, household welfare, and child development outcomes across different childcare delivery models. The report positions childcare not merely as a social service, but as a transformative economic and developmental investment with direct implications for gender equality, labor productivity, household welfare, and inclusive urban development.

The evaluation focused on two major childcare modalities:

I Institutional (Workplace) Modality

This model provides childcare services within workplaces and institutions, primarily targeting formal sector employees. The approach reduces commuting burdens, supports workforce retention, and minimizes stress related to childcare arrangements.

P Public Modality

This model provides childcare services at community level, particularly targeting low-income households and informal workers. The approach expands access to childcare services while supporting women's labor market participation.

The evaluation tracked households across baseline and midline periods to assess changes in care burden, labor participation, income, and child well-being.

2.1. Expanding Access to Childcare Services

One of the most significant findings of the assessment was the rapid expansion of childcare access across Addis Ababa. The proportion of respondents reporting availability of childcare services increased from 40.2% at baseline to 72.8% at midline, representing a major improvement within a short implementation period. This expansion enabled thousands of additional families to access nearby childcare services and reflected strong progress in the city-wide childcare initiative.

40.2%
BASELINE
AVAILABILITY

72.8%
MIDLINE
AVAILABILITY

+32.6%
INCREASE IN
SERVICE ACCESS

Public childcare services showed the greatest growth due to the expansion of free and subsidized childcare centers supported through government investment. Parents selected childcare services based on different priorities depending on the service model.



Key Reasons for Childcare Enrolment

Workplace Childcare

- Proximity to workplaces
- Convenience for transportation
- Better time management
- Convenience during work schedules

Public Childcare

- Affordability and low service costs
- Improved accessibility for low-income families

The findings also revealed that childcare barriers are shifting. Earlier concerns related to affordability decreased substantially following public investment in childcare expansion. However, new challenges emerged, particularly overcrowding, waiting lists, and limited service capacity. Around 15.4% of families identified delays in enrolment as a major problem, indicating that demand is now exceeding available infrastructure and staffing capacity.

2.2. Quality of Childcare Services

The quality assessment demonstrated several encouraging improvements in childcare infrastructure. More than 90% of centres reported having safe resting spaces for children, while over 82% provided child-sized furniture appropriate for children's developmental needs.

Despite these improvements, major infrastructure gaps remain.

90%+

CENTRES WITH SAFE
RESTING SPACES

82%+

CHILD-SIZED
FURNITURE PROVIDED

KEY QUALITY CHALLENGES

- Inadequate outdoor play spaces
- Limited play and learning materials
- Poor physical activity environments
- Uneven infrastructure quality across centres
- Limited developmental play opportunities

The report emphasized that outdoor play is critical for children's physical, emotional, cognitive, and social development and should be treated as an essential component of childcare quality rather than an optional addition.

2.3. Disability Inclusion Remains a Major Gap

One of the findings of the study was the limited inclusion of children with disabilities within childcare services. Fewer than 5% of childcare centers were reported to provide specialized support services for children with disabilities. Most centres lacked:

67

Hearing aids
donated

48

Wheelchairs
provided

1,246+

Daycare workers
trained

- Accessible infrastructure such as ramps and adapted toilets
- Braille and audio learning materials
- Assistive devices and adaptive learning resources
- Caregiver training on disability-inclusive childcare practices
- Although many caregivers expressed willingness to support children with disabilities, most centres lacked the institutional capacity, resources, and technical expertise required for effective inclusion.
- To strengthen inclusive childcare services, the project implemented the following interventions:
 - Donation of 67 hearing aids
 - Provision of 48 wheelchairs
 - Disability inclusion and caregiving training for more than 1,246 daycare workers

The findings highlighted disability inclusion as one of the most urgent areas requiring future policy and investment attention.

2.4. Women's Economic Empowerment

The study provided strong evidence that childcare services directly support women's economic participation and household welfare. Women with access to childcare services reported increased paid work participation, improved productivity, and greater economic stability.

Among public childcare users, 76.7% reported increased paid working hours, while 67.8% of workplace childcare users experienced similar improvements. More than half of public childcare users also reported gaining new employment opportunities after accessing childcare services.



Economic Benefits Reported by Women

Increased labor force participation	Improved workplace attendance and punctuality
Greater employment stability	Expanded income-generating opportunities
Reduced caregiving stress	Improved work-life balance

Childcare services also created broader household benefits. Older siblings, particularly girls, gained more time for homework and schooling after younger children entered childcare centres. Families further reported reduced stress levels, improved household stability, and better family relationships.

2.5. Child Development Outcomes

The findings demonstrated important improvements in children's health and developmental outcomes over the study period.

Child Development Improvements

Stunting declined among institutional and public childcare users

Children showed improved learning, communication, and social interaction skills

Developmental delays decreased across both childcare models

The report reinforced that childcare services create multidimensional benefits extending beyond children themselves to households, workplaces, and communities.



2.6. Financing and Governance Challenges

Despite major progress in childcare expansion, the assessment identified several operational and governance challenges affecting service sustainability and quality.

Public childcare centers received larger annual budgets compared to workplace centers and allocated greater resources toward nutrition, learning materials, and operational costs. However, administrators across both models identified budget delays, financial limitations, staffing shortages, and infrastructure constraints as persistent challenges.

MAIN OPERATIONAL CHALLENGES

- Delayed budget disbursement
- Limited finance
- Inadequate physical space
- Staffing shortages
- Operational inefficiencies
- Infrastructure limitations

Even with these challenges, nearly all administrators expressed confidence in the long-term sustainability of childcare services due to strong public demand and growing government commitment.

2.7. Childcare Workforce Conditions

The report emphasized that childcare workers are central to service quality and child development outcomes. However, many caregivers continue to work under difficult conditions characterized by heavy workloads, long working hours, and limited professional recognition.

Public childcare centres generally employed more formally educated workers, while many workplace caregivers had only secondary-level education.

WORKFORCE CHALLENGES

- Long working hours averaging nine hours daily
- High occupational stress
- Low salaries and compensation dissatisfaction
- Limited specialized disability inclusion training
- Weak professional support systems

Further the findings highlighted the urgent need for:

Professional certification systems

Career development pathways

Improved compensation structures

Workforce retention strategies

Expanded caregiver training programs

3. Collaborative Action for Childcare Systems Strengthening

3.1. Stakeholders Linking and engagement

The project brought together government institutions, civil society organizations, childcare practitioners, researchers, and development actors through a stakeholder engagement workshop in Nov. 2025 aimed at strengthening collaboration and identifying priority actions for childcare service delivery.

The stakeholder engagement workshop served as a platform to discuss existing achievements, system gaps, and future opportunities for strengthening childcare services in Ethiopia. Participants reflected on the growing importance of childcare services in supporting women's participation in the labour force while simultaneously improving child development outcomes.



Discussions highlighted that childcare should no longer be viewed only as a household responsibility carried by women, but rather as a shared social and developmental responsibility requiring coordinated institutional investment.

Participants emphasized that expanding childcare systems can create benefits that extend beyond women and children to workplaces, communities, and the broader economy.



Discussion Outcomes of the Stakeholders Engagement Workshop

Admiring the promising initiative by the Government and CSOs engagement in ECD; participants highlighted on the following issues as requiring attention and intervention:

The need to expand daycare services to the private sector, including banks, business corporations, and CSOs, was emphasized. The Government has a plan to compile lessons learned from its experience thus far and expand the good practices to the private sector. Likewise, the Addis Ababa City Administration Women, Children and Social Affairs Bureau is coordinating with the Food and Drug Administration to initiate, standardize, and monitor childcare services in the private sector in the interest of incentivizing the service and enhancing quality.

Making women, especially those denied access to economic opportunities, the primary targets of the ECD program for its ultimate goal of economically empowering women, while also fostering the healthy development of children, was reinforced as a good approach to addressing the underlying challenges affecting women economically and hindering children's development.

Expanding the good practices of ECD to regions such as Oromia, Amhara, Sidama, Central Ethiopia, and Dire Dawa is a work in progress, with the aim of creating nationwide outcomes that benefit women and children while fostering national development. In parallel, the need to expand capacity building interventions for health extension workers has also been underlined to ensure quality service delivery under the expansion initiative.

Disability Inclusion is also an area that requires exerted effort and improvement. Existing initiative to ensuring accessibility through the provision of assistive devices and early detection must be scaled up and integrated with additional interventions like training, promoting universal design and ensuring access.

Key Issues Raised During the Stakeholder Engagement Workshop

Participants identified several major priorities requiring immediate attention and coordinated intervention:

KEY ISSUES RAISED

- Expansion of childcare services in public and private institutions
- Strengthening quality standards and monitoring systems
- Enhancing disability inclusion and accessibility
- Strengthening public-private partnerships
- Increasing sustainable financing and budget allocation

The discussions reinforced the understanding that childcare is both a developmental and economic investment that contributes to long-term social transformation.

3.2. National Women Economic Empowerment Forum

There is a growing consensus among women's equal rights actors & advocates that working on the economic empowerment of women is fundamental to the realization gender equality and hence achieving the Sustainable Development Goal. Although works done in this regard in piece meal basis is bearing encouraging results; results necessitated for collecting efforts and harmonizing approaches as it expands and sustains impact.

The National Women Economic Empowerment (NWEE) Forum came into reality as a result in April 2022. the Ministry of Women and Social Affairs, ActionAid Ethiopia, UN Women, Ministry of labor and Skills, Ethiopian Chamber of Commerce and Sectorial Associations have pioneered in facilitating the coming into reality of the Forum; while membership to the Forum is on grow (both from Government and non-Government Sectors).

The forum is becoming functional and bearing fruits while also calling for strengthening consorted actions focusing on interventions that involve multiple sectors and crafting approaches and strategies that promote gender transformation in the realization of the equal rights of women.

In Dec. 2025, the biannual high-level convening of the forum was organized in Adama town at Haile Resort Hotel from with the theme 'Access to Services-practices, gaps/challenges and opportunities' where high level policy and decision makers and representatives from Government Sector Offices, Development Partners, and Women Entrepreneurs participated in the Forum. The Forum's agenda covered three main domains: 1) Launching and discussing on the implementation of the Forum's strategy; 2) general updates and follow up actions from previous Forums; and 3) review of practices, opportunities and challenges/gaps in accessing services to women.

Her Excellency Ergogie Tesfaye (PhD), Minister MOWSA opened the Forum with a welcoming note and key note address. She began by recognizing the achievements of the Forum since its establishment (appreciating its move beyond launching and engaging into promising actions) for which she thanked members for their revealed commitment to investing resources and expertise to the functions of the Forum.

The initiation of the Forum has been ideal to transforming and consolidating piecemeal approaches in the economic empowerment of women. As representative of the Ethiopian women (rural and urban) consolidating and harmonizing actions and approaches is vital to bringing meaningful and tangible changes to the lives of Ethiopian women.

Also, focus on the economic empowerment of women will have the domino impact to empowering women in all other spectrums. She also appreciated the Forum reaching to such crucial milestone of developing and launching its five-year strategy (2026-2030) that maps the road to achieving greater results in fostering the economic empowerment of women as it also catalyzes the empowerment of women in the different dimensions. According to her, it is time to redefine its advocacy approaches to mobilizing more resources and expertise to the effective implementation of the strategy.

She also confirmed the Forum's move to being in alignment to the Government's commitment and actions to the equal rights of women as enshrined in the FDRE Constitution Article 35. Finally, she thanked UN Women, ActionAid Ethiopian and the Government of Ireland to their meaningful support to the launching and functions of the Forum; and heralded the official opening of the Forum by expressing her wish for a fruitful and meaningful discussion and outcome.

AAE and PSI use the forum as window of opportunity to influence diverse policy actors on scaling childcare innovations through presenting the baseline assessment report and stakeholders engagement recommendations in relation to the Addis Ababa Childcare centres the project targets for awareness raising, information dissemination, sharing learnings and anticipated outcomes for better scale up and institutionalization.

4. Strengthening the inclusivity of the Child Care Centers

The project supported selected centers with limited resources on inclusive childcare service provision through disability inclusive and responsive materials and also Montessori learning equipment.

5. Policy Implications and the Way Forward

The project highlights childcare as not a social welfare intervention, but as essential economic infrastructure supporting women's employment, labor productivity, household welfare, and long-term development.

Key Policy Recommendations

- 1 Sustain public investment in childcare expansion
- 2 Shift future focus toward quality improvement
- 3 Improve outdoor play and child development infrastructure
- 4 Establish disability-inclusive standards and systems
- 5 Professionalize the childcare workforce
- 6 Strengthen governance and accountability mechanisms
- 7 Improve long-term financing systems

Overall, the findings demonstrated that the Addis Ababa childcare initiative represents a major step toward building a more inclusive, equitable, and economically productive childcare system in Ethiopia. The next phase of progress will depend on strengthening quality, inclusion, workforce systems, governance, and sustainability to ensure long-term developmental impact.

6. Strengthening Childcare Workers as Champions of Quality and Inclusive Care

A skilled and empowered childcare workforce is fundamental to delivering quality childcare services and advancing women's economic empowerment. Evidence generated through the project identified important gaps in childcare workers' knowledge, professional recognition, participation in decision making, and capacity to deliver inclusive services.

In response, ActionAid Ethiopia, in collaboration with the Policy Studies Institute (PSI), the Addis Ababa City Administration Women, Children and Social Affairs Bureau, and the Addis Ababa Mayor's Office, organized a four day capacity building and awareness raising training for childcare workers on their right to ensure their representation and meaningful participation in relevant forums and policy dialogues under the Scaling Child Care Project from 29 June to 2 July 2026. The training was designed to strengthen childcare workers' professional capacity while equipping them to become advocates for quality, inclusive, and rights based childcare services.



The training brought together 43 women childcare workers from government workplace day-care centers across Addis Ababa, including caregivers, focal persons, and nurses. Delivered using participatory adult learning approaches, the sessions combined presentations, case studies, role plays, group discussions, peer learning, and action planning exercises that encouraged participants to apply learning directly to their workplace contexts.

Building Knowledge, Skills, and Leadership

Over four days, participants explored key areas that strengthen both childcare practice and professional leadership, including:

- Childcare principles and children's rights
- Labour rights and legal frameworks for childcare workers
- Representation and participation in policy and decision making
- Advocacy, leadership, and communication skills
- Inclusive and disability responsive childcare
- Collective action, networking, and institutional action planning



The training emphasized that childcare workers are not only caregivers but also educators, advocates, and essential contributors to the development of Ethiopia's care system.

Transformative Results

The training produced significant improvements in participants' knowledge, confidence, and professional capacity. Pre-training assessments showed that while participants were highly committed to their work, many had limited understanding of childcare rights, representation mechanisms, and inclusive service delivery. By the end of the training, post training assessments demonstrated marked improvements across all learning domains, with participants reporting greater confidence to advocate for children's rights, participate in policy spaces, and apply inclusive childcare practices in their daily work.

Participants also developed practical institutional action plans and established representative committees to strengthen collective advocacy, professional networking, and engagement in childcare governance. These outcomes position childcare workers as active partners in improving service quality and influencing future childcare policies.

Conclusion

The findings presented in this document demonstrate that strengthening childcare systems is essential for advancing women's economic empowerment, promoting early childhood development, and building more inclusive and resilient communities. Expanded childcare access has reduced women's unpaid care burden, increased labor force participation, improved household welfare, and enhanced developmental outcomes for children.

At the same time, the evidence highlights the importance of sustained policy advocacy and institutional commitment to ensure that childcare is recognized as a core component of social and economic infrastructure rather than simply a welfare service. Moving forward, continued investment in quality, inclusive, and sustainable care systems, alongside stronger governance, workforce professionalization, and disability-inclusive policies, will be critical to building a responsive childcare system that supports women, children, families, and broader national development goals in Ethiopia.

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