



ECONOMIC
EMPOWERMENT

WHERE MOST NEEDED FUND

» ANNUAL REPORT: October 2018 through September 2019

Prepared February 2020

ECONOMIC EMPOWERMENT

GLOBAL SUMMARY

Working to empower families and break the crushing cycle of poverty

The THRIVE (Transforming Household Resilience in Vulnerable Environments) model continues to deliver life-changing results as a key part of World Vision's global livelihoods strategy and economic empowerment work.

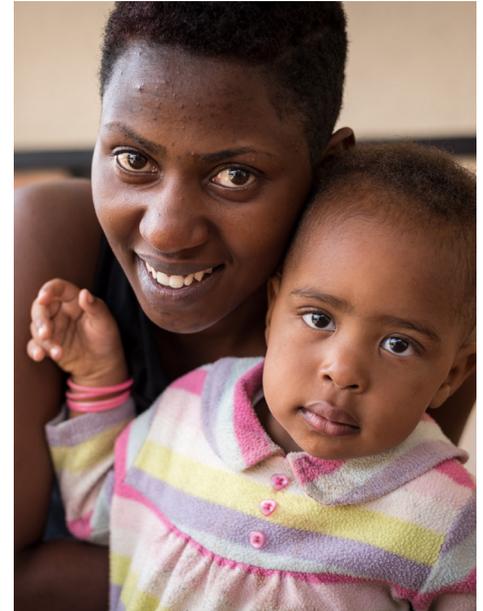
Together with TANGO International (Technical Assistance to NGOs), World Vision has been documenting the level of THRIVE's impact on child well-being in the five project countries: Honduras, Malawi, Rwanda, Tanzania, and Zambia.

Results from evaluations done in Tanzania and Malawi, where THRIVE has been in place for more than three years, indicate a significant and positive impact on parents' ability to provide for their children's needs through increased household income and assets. The latest evaluation in Malawi indicates households that

previously could not provide for the most basic family needs, are now able to provide sufficient year-round food, adequate clothing, improved shelter, healthcare, and education, especially for their children. The Malawi baseline report indicated that 80% of the target population reported incomes of \$1.25/day. By contrast, the midterm evaluation reported that the average farmer generates income of \$3.10/day, while high performers—the top 25%—earn \$10.40/day (eight times the baseline).

These results were shared in 2019 during the THRIVE Forum in Lilongwe, Malawi. The event attracted interest from private sector partners and bilateral and multilateral organizations, making it a true learning event focused on improved agricultural livelihoods.

We also continue to offer access to needed financial services through



VisionFund, our microfinance network. That work is represented by global funding opportunities focused on women's empowerment and technology, as well as projects in Myanmar and Senegal.

Thank you for your partnership, which is helping hardworking families break the cycle of extreme poverty, transform their lives, and gain hope.

GLOBAL UPDATE

1.5 MILLION PEOPLE* provided with access to economic empowerment since the beginning of the project, including 324,145 during fiscal year 2019.

**This figure includes VisionFund clients and their families who, through our OneVision Technology project, are able to use mobile money applications to handle their financial transactions, including loans, close to home through loan officers using computer tablets in the field to gather information.*

Program-to-Date Spending

\$47,224,535 budget **90%**

Program-to-date spending expressed as a percentage of program-to-date funding of \$52,479,661

HONDURAS

PROGRAM OVERVIEW

The THRIVE project is helping families in 31 rural communities in Honduras by providing the resources they need to grow and diversify their agricultural incomes over six years. In FY19, the project made great progress in improving agricultural technology used by farmers and providing access to financial services through savings groups, as well as to markets through producer groups.

Improved agricultural methods have allowed for better yield amidst falling coffee prices. Income security has improved, and farmers can provide for their families by taking advantage of opportunities in their local markets

and beyond. In addition, training in household financial management has led to increased savings.

World Vision started partnering with Walmart on the Planting Hope Project in Honduras in FY19. Growers are supported with specialized assistance to stagger sowing, improve irrigation, and increase delivery volumes that meet Walmart's quality standards. So far, 10 suppliers have received support in growing sweet potato, corn, watermelon, potato, onion, carrot, broccoli, cauliflower, and other crops.

Thank you for your support, which is enabling farmers and other small



business owners to improve their businesses and better support their families and communities, turning struggling families into thriving families.

1,264 farmers using irrigation

Life-of-project target: 3,150 **40%**

6,671 people accessing financial services

Life-of-project target: 14,000 **48%**

9,676 people provided with increased access to markets

Life-of-project target: 14,000 **69%**

Accomplishments in FY19 included:

- Higher incomes offer families the ability to save more. Members of savings groups saw their incomes increase by 19%, which allowed them to save a total of \$297,736. This is an increase of 68% in just one year.

- 3,792 agricultural producers participated in training processes, and 88% of them reported they have implemented at least one improved agricultural practice in their plots of coffee, beans, or horticulture.
- THRIVE worked to steward

Honduran natural resources for future generations through reforestation and monitoring climate conditions. Reforestation is one of the most successful aspects of THRIVE, with 440,224 trees planted in FY19, contributing to a total of 576,538.

Project-to-Date Spending

\$7,478,987 spent 97%

MALAWI

PROGRAM OVERVIEW

During FY19, Malawi's THRIVE project participants continued to gain an empowered view of their place in the world, grow a variety of crops and sell them collectively, and access loans to start or further develop businesses.

A total of 15,417 people have been trained so far in Empowered Worldview, all but 900 in the past fiscal year, to help them understand their God-given value and potential. The total trained is 96% of the program goal.

Smallholder farmers improved their skills and sold 1,342 tons of 11 kinds of

produce, exceeding sales projections by more than 45%.

More than 600 new clients accessed loans through VisionFund, reaching 70% of the project target. Nearly 1,200 Savings 4 Transformation groups collectively saved \$443,828, with 26% of participants able to keep some funds for emergencies.

All these and other activities contributed to families expanding their vision, earning higher incomes, and improving their businesses. Thank you for your generous partnership.



10,264 farmers used improved agricultural technology



15,128 savings group members accessed financial services



9,461 producer group members accessed new markets



Accomplishments in FY19 included:

- A midterm evaluation of Malawi THRIVE by World Vision research partner TANGO (Technical Assistance to NGOs) indicated a nearly 20% reduction in the probability of participating households falling below the poverty line since the project

started. The drop was attributed to World Vision and partners collaborating to help farmers sustain and diversify income sources.

- Farmers reported selling 58% of their produce, feeding their family with the rest; 54% of households reported having an adequate number of meals per day, more than

tripling the project baseline figure.

- 3,420 farmers (45% women) sold crops as producer groups in commercial villages, racking up \$582,778 in sales in the past year. The sales total exceeded projections by 6%. Farmers sold at prices that were at least 10% above prevailing market prices.

Project-to-Date Spending



MEXICO

PROGRAM OVERVIEW

The Empowering Families in Mexico project does just that: enable participants to provide for their families' needs in a sustainable way for their children's well-being.

The project helps participants in San Felipe del Progreso and San José del Rincón save money, develop livelihoods, transform their mindsets, and improve the quality of life for their children. More than 14,000 people have benefited so far, with 59% of those in FY19.

A total of 4,200 people are members of 282 savings groups, each reaching 90% of the project target during FY19.

Participants focus on five crop and animal husbandry activities for income, as well as growing their own food. That makes them better able to provide for their families, pay for their children's school fees and uniforms, and eat more nutritious food.

Through Empowered Worldview, participants develop strength of character and individual responsibility, instead of depending on government.

All these interventions, along with your partnership, makes these achievements possible. Thank you for helping to bring hope to vulnerable families in Mexico.



4,200 members accessed financial services



2,823 people have received Empowered Worldview training



Accomplishments in FY19 included:

- Trainings were conducted for 320 farmers on soil improvement, 1,200 families on poultry farming, 35 individuals on rabbit breeding, 28 growers on adding value to amaranth, and 20 farmers on fruit tree intercropping. The project has identified a portfolio of customers

interested in buying those four products and tomatoes, as well as identifying partnership opportunities for participants.

- 36 producer group members and 27 local partners attended the project's first forum on economic inclusion. The collaboration promoted productivity and economic stability.

- Empowered Worldview training has been provided to 2,823 people, 80% of them women. The approach seeks to break dependency on government or aid organizations through empowering people to influence their circumstances. It also strengthens family and community relationships.

Project-to-Date Spending



MYANMAR VISIONFUND

PROGRAM OVERVIEW

VisionFund Myanmar (VFM) continued to expand its outreach in a nation where more than 80% of the population lacks access to formal financial services.

In FY19, VFM added three branches, bringing the total to 51. Significantly, the expansion occurred in Rakhine—Myanmar's second-poorest region, where ongoing conflict has resulted in a massive exodus and displacement of vulnerable people.

VFM served more than 190,000 clients (86% women) during the fiscal year, with a total portfolio of more than \$50 million. All loan clients were encouraged to save money to boost family resilience and financial planning.

As a result, 532,464 clients saved \$7.5 million.

Job growth more than quadrupled from FY18, with 24,085 jobs created and 296,531 sustained.

Nearly 60,000 borrowers worked in agriculture, a 15% increase from the previous year.

With improved incomes, smallholder farmers and entrepreneurs in Myanmar are more able to increase productivity and position their businesses for greater growth.

Thank you for helping families in Myanmar become empowered economically to build brighter futures.



PROGRAM UPDATE

403,208 CHILDREN IMPACTED by microfinance programs during fiscal year 2019

190,999 ACTIVE BORROWERS

\$51 MILLION outstanding loan portfolio

Project-to-Date Spending

Loan Capital and
Program Operations

\$360,729 spent

100%

RWANDA

PROGRAM OVERVIEW

For smallholder farmers in Rwanda, the focus is on thriving, not merely surviving. The THRIVE project helped make that more of a reality during FY19, thanks to your support.

Members of 628 Savings 4 Transformation groups saved nearly \$180,000 during the reporting period. They borrowed nearly \$137,000 from their groups, mostly to buy livestock and poultry and to invest in their businesses. A total of 17,356 farmers from 757 producer groups have started investing in corn, pig, vegetable, and poultry value chains.

Visits to model pig, poultry, and tomato tree farms informed and inspired farmers.

Nearly 4,000 participants were trained in Empowered Worldview, learning they are valued by God and can live a life of empowerment, not dependency.

In an assessment done through discussions with 17 savings groups, Empowered Worldview participants generally indicated they had changed the way they viewed themselves. They had started to feel like co-creators of their futures, not merely bystanders.



8,550 farmers have been trained on improved agricultural techniques



12,420 people gained access to financial services



13,294 farmers have access to new markets



Accomplishments in FY19 included:

- Trainings attracted 4,218 farmers on pig farming, 361 on poultry farming, 2,217 on vegetable growing, 319 on banana growing, and 3,720 on preparing for the farming season. In addition, 10,067 farmers have been trained on conservation agriculture and 4,071 on making compost.
- 3,627 participants took out loans through VisionFund, borrowing \$134,643, mostly for agricultural purposes.
- 300 members from 18 S4T groups underwent financial literacy training, and 133 savings groups received back their savings with interest, totaling \$121,087.
- 173 acres of tiered farms were established on Rwanda's mountainous terrain, creating jobs digging trenches for 755 impoverished people.
- 29 nurseries have been established to produce trees for fruit as well as trees to be planted to control erosion and improve soil fertility.

Project-to-Date Spending



SENEGAL VISIONFUND

PROGRAM OVERVIEW

Through microloans and financial training, business owners have been able to expand their current ventures while planning for the future. Your support is enabling World Vision to partner with enterprising families to grow household incomes and ensure education for children.

In FY19, VisionFund Senegal (VFS) continued to surpass goals to reach the most vulnerable, who are least likely to be reached with financial services: women and those living in rural areas, working in agriculture and with livestock.

We have continued to exceed our target of 80% female clients, with 87%

women borrowers at the close of the fiscal year. Our goal of 47% of total loan portfolio going to agricultural borrowers landed at 65%.

In total, VFS disbursed 3,698 loans this fiscal year across six branches. At the close of FY19, the average first-time loan amount was \$217.

Since this project began, 29,181 jobs have been sustained.

Two new sub-branches that opened in the first half of FY19—Kounkané in the Kolda region and Kougeul in Kaffrine—have been upgraded into full branches and will begin full operations in February 2020.



PROGRAM UPDATE

111,173 CHILDREN IMPACTED by microfinance programs during fiscal year 2019

27,888 ACTIVE BORROWERS

\$7 MILLION outstanding loan portfolio

Project-to-Date Spending

Loan Capital and
Program Operations



TANZANIA

PROGRAM OVERVIEW

The THRIVE project in Tanzania ended FY19 on track to finish strong entering its seventh and final year.

To date, nearly 9,000 smallholder farmers have used improved seeds and received training on better agricultural tools. At least 350 savings groups and 350 producer groups have been formed. Nearly 4,400 farmers have improved access to water-harvesting techniques for irrigation. At least one-third of each accomplishment was achieved in FY19. In all of these categories, the project has reached 95% or more of its targets.

Overall, World Vision and partners concentrated efforts on improving food production, expanding access to markets, scaling up and adopting improved agricultural technologies, promoting access to microfinance, and transforming mindsets.

Thank you for helping us equip farmers and entrepreneurs to strengthen their skills and market key products. By improving household incomes, participants were better able to care for their families and help their children live fuller lives.



8,946 smallholder farmers used improved agricultural technology



16,444 people accessed financial services



5,280 people accessed markets



Accomplishments in FY19 included:

- The number of farmers accessing loans from VisionFund increased to 4,297, a 79% annual increase. So far, farmers have borrowed \$431,294 to finance business ventures, including poultry and crop farming, and rainwater harvesting equipment.
- Through partner RECODA (Research, Community and Organizational Development Associates), 410 banana farmers planted 1,613 suckers and harvested 11,800 bunches. The average banana farmer had revenue of \$67 per month.
- More than 300 producer groups sold pigeon peas, bananas, honey, poultry, and other products locally.
- 106 faith leaders and community facilitators were trained as trainers of Empowered Worldview. They will help people know they are valued by God and can develop a mindset of empowerment, rather than dependency. With 9,000 participants trained in EWV so far, the project has reached its target.

Project-to-Date Spending



ZAMBIA

PROGRAM OVERVIEW

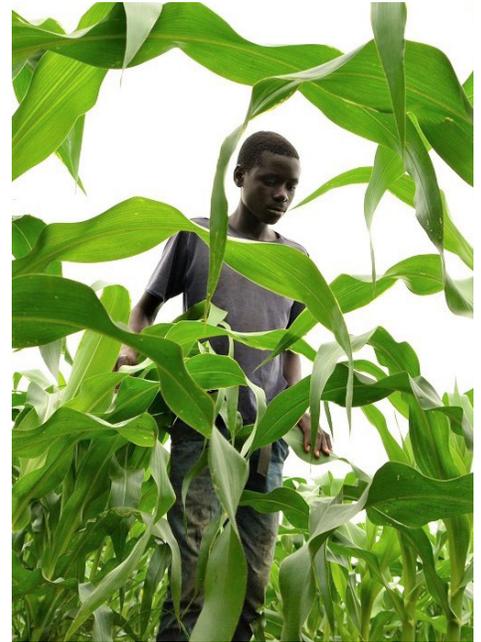
Harsh climatic and economic conditions impacted Zambia in FY19, with dry spells and hunger in several regions, plus currency depreciation and inflation, all posing challenges. This underscored the importance of THRIVE to bring help and hope.

The project has reached 65% or more of the target for smallholder farmers using improved seeds or some form of irrigation, for the number of savings and producer groups, and for land reclaimed for agriculture. More than 10,000 people have undergone key training in Empowered Worldview, including 1,723 during FY19.

Total beneficiaries number nearly 80,000, reaching 89% of the project target. Of those, 51% are children.

Farmers participating in corn, soybean, and goat value chains significantly increased in FY19. Value chains for onions and peanuts remain the same, while those for beans have declined.

THRIVE brings an “insight and satisfaction that comes upon seeing someone who was written off in society get transformed,” said Wilfred Mufwambi, project manager. Thank you for your support, which helps bring about this transformation.



12,243 smallholder farmers used improved agricultural technology

Life-of-program target: 15,000 **82%**

8,202 people accessed financial services

Life-of-program target: 15,000 **55%**

7,088 farmers accessed markets

Life-of-program target: 15,000 **47%**

Accomplishments in FY19 included:

- 10,817 farmers (86% of monitored participants) used some principles of Farming God's Way (FGW) during the past growing season, applying good stewardship of the land. An analysis of data found that yields were better for crops grown using FGW.

- 881 people joined S4T groups, and 50 groups (10% more than the previous year) were added. The purposes for S4T loans changed significantly, with 61% of loans used for business investment purposes, up from 43% in the previous year.
- The average acreage of land under production grew at least 15% for

both men and women compared with the previous year.

- The project worked with the AgriProFocus, a network linking farmers to markets, to hold a technology fair in Katete that attracted 295 farmers. A more formal partnership with AgriProFocus is planned.

Project-to-Date Spending

\$5,513,784 spent 80%

VISIONFUND GLOBAL

ONEVISION GLOBAL TECHNOLOGY FUND

In remote, impoverished areas across the world, improved access to financial services is helping vulnerable families increase their incomes and ensure better care for their children. OneVision's comprehensive technology solutions are vital to solving the specific problems involved with serving rural areas with financial services in over 25 countries.

Two key areas of focus in FY19:

- Ongoing deployment and development of the BankBi Data repository and reporting tool
- In Myanmar, the change program included the change process review, the deployment of Sun6, and the completion of Phase I of Musoni, the cloud-based core banking system.

Despite funding challenges in FY18 that carried over into the current fiscal year, VisionFund continued to improve reporting and data analysis, enhance operational standards, provide general ledger solutions, and strengthen tablet and mobile money solutions.

Highlights for FY19 include:

Digital Financial Apps (tablets):

Loan repayment by digital financial apps (DFA) is now available in all 35 branches of VisionFund Sri Lanka, completing Phase I of implementation.

Thanks to a grant for DFA, Zambia is targeted to complete Phase I in January 2020. Workshops and process reviews have been ongoing in Uganda and Kenya, with plans to go live in

FY20.

In Myanmar, Phase 2 using DFA is being pursued. Assuming success with a pilot rollout, all field officers in Q2 FY20 will be provided with a tablet. Montenegro will follow and is expected to be completed by Q3 FY20.

Mobile Money:

No major implementations went live in FY19, as foundational work was needed to support functional capability in Myanmar, Montenegro, and Honduras.

MPT, a local mobile network operator, received regulatory approval to begin developing interfaces and app capabilities Myanmar. This is targeted to go live in Q2 or Q3 subject to final approvals.

Negotiations were completed for a new agreement with Software Group to support implementations planned for FY20 and beyond, locking in key cost savings and service support.

Data Warehouse:

Following BankBi implementation, all MFIs report data on a monthly or daily basis. VisionFund is working to move all MFIs to daily submission, focusing on quality and timing. In FY19, new pipelines for IT managers have substantially improved processes for all MFIs.

General Ledger (Sun6):

Implementation of Sun6 has been completed in Uganda, Myanmar, Sri Lanka, Zambia, and Ghana.



Next to complete integration are: Montenegro (in Q1 of FY20), Honduras (in Q2), Malawi (Between Q2 and Q3), and India and Kenya (Q3).

Core Banking:

All branches in Myanmar have migrated to the new system, Musoni, completing Phase I. Myanmar has the largest and most complex MFI in the program. This impacts about 200,000 clients across 60 branches. Lessons learned from a time-consuming process of migrating systems will be applied in deployments going forward.

Business Process Re-engineering:

Fieldwork and initial reports have been completed for Myanmar, Serbia, Montenegro, Mexico, and Honduras. Change reports have been issued for these countries and agreed upon with respective MFIs. Implementations in Serbia have been postponed due to market conditions. As regulatory and market changes occur, the change program will be reinstated.

Work will continue to address the recommendations and resolutions as prioritized and scheduled.

VISIONFUND GLOBAL

WOMEN'S EMPOWERMENT FUND

Women in developing countries, especially those living in rural areas, often encounter gender-specific obstacles to economic mobility—such as lack of access to financial services and imbalances in family caregiving—that prevent them and their communities from flourishing.

The Women's Empowerment Fund (WEF) aims to build the resilience of women and their families, improve gender equality, and support the development of livelihoods by providing vulnerable women increased access to high-quality financial services and education.

The first phase of this two-phase project focused on growing loan capital for women entrepreneurs to invest in small businesses and farms. Phase 2 launched in FY19 with the goal

of strengthening services to women by linking them to savings groups, offering insurance products specifically for women, and expanding women's financial training.

Recent research measuring the holistic impact of microloans through VisionFund Armenia found that a single loan frequently creates a raft of additional benefits for women and their children in the form of better nutrition, health, housing, access to education—even family cohesion and spiritual well-being. In a March survey conducted by VisionFund Myanmar, 99% of respondents likewise reported that receiving a loan provided at least one benefit to their children, while 73% reported three or more benefits.

In FY19, the WEF provided loan capital and expanded service areas in Armenia, Honduras, Malawi, Myanmar, Sri Lanka, and Uganda.

Thank you for your commitment to empowering women.



Microfinance loans enabled Chalani Iresha to start a business as a vegetable grower. Now, she employs five women from her village in northwest Sri Lanka.

Accomplishments during this reporting period at some of the MFIs in the fund included:

- In Armenia, an analysis of the WEF portfolio revealed that clients' involvement in supply-chain networks created indirect benefits for 651 women and 398 children, in addition to the 156 women and 468 children directly impacted by WEF loans.
- In Honduras, a loan offer was designed specifically for women, with a special focus on single mothers living in rural communities. Loans range from \$25 to \$650, and clients receive financial education as part of the funding package. In FY19, \$122,079 in loans was disbursed to 108 women, all of whom have dependent children.
- In Malawi, new Savings Group Linkage Loans provided 19 savings groups and 331 clients—75% women—capital for improving their livelihoods.
- At the end of FY19, 86% of VisionFund Myanmar's 190,000 clients were women. WEF loans also helped create 8,891 jobs in Myanmar between April and September 2019.
- In Sri Lanka, a leadership program was created for 33 current WEF clients and other enterprising women.

Project-to-Date Spending

Loan Capital and
Program Operations

\$3,883,246 spent

77%

PRODUCER GROUPS RAISE POULTRY AND HOPE

Chickens are now a familiar sight in Mbuyuni village in Tanzania. But it wasn't always that way. The introduction of poultry farming has transformed the community, providing income and food.

Mbuyuni village is largely composed of the Maasai people, who traditionally do not eat chickens or eggs. It was difficult to convince them chickens could be a source of income.

That was before savings groups were started in the village. They were supported by RECODA—a World Vision partner that helps savings and producer groups to engage in poultry, banana, and sweet potato value chains—to start raising Sasso chickens. The breed grows quickly and has good egg-laying capabilities.

The savings groups took on the additional role of poultry producer groups, starting with 300 day-old chicks in August 2017. They raised them for one month and then sold them.

Between then and 2019, the groups raised and sold 12 batches of 300 chicks to Mbuyuni community members. Members buy a chick for 54 cents and sell it for \$2.24, for gross revenue of \$510 per batch.

The groups invest part of their revenue in their savings groups for borrowing purposes and to earn interest.

Aside from working as a group, members individually raise chickens at home for income and food purposes.

“Almost every household owns at least 10 to 20 Sasso chickens,” said Angela, secretary of the Shengai poultry producer group, composed entirely of women. She is on her fifth batch of either one-day- or one-month-old chicks that are purchased from a private poultry company.

Group members support others in the community on improved poultry breeding with minimal support needed from extension officers or project facilitators.

“Chicken is our ‘bank’ these days, from where we draw money for our household needs as well as food,” said Shengai member Anna Angurus. “Our children are well-nourished and healthy due to the chicken business.”



Poultry farmer Mary Jackson feeds her chickens in a new coop she built to accommodate up to 100 chicks.



World Vision is a Christian humanitarian organization dedicated to working with children, families, and their communities worldwide to reach their full potential by tackling the causes of poverty and injustice. Motivated by our faith in Jesus Christ, we serve alongside the poor and oppressed as a demonstration of God's unconditional love for all people. World Vision serves all people, regardless of religion, race, ethnicity, or gender.

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