



# ECONOMIC EMPOWERMENT

**International » WOMEN'S EMPOWERMENT FUND**  
Progress Report: October 2017 through March 2018

*Prepared July 2018*

## ECONOMIC EMPOWERMENT

### VISIONFUND GLOBAL UPDATE THROUGH MARCH

**1.2 MILLION CLIENTS** provided with microloans by leveraging \$214 million in equity to support \$462 million in value of loans disbursed.

**4.5 MILLION CHILDREN** impacted by microloans, helping parents provide more income for such improvements as nutritious food, school fees, improved housing, and healthcare.

**72 PERCENT OF CLIENTS SERVED ARE WOMEN.**

**63 PERCENT OF CLIENTS SERVED LIVE IN RURAL AREAS.**

### PROGRAM OVERVIEW

The Women's Empowerment Fund aims to build the resilience of women and their families, improve gender equality, and support the development of women's livelihoods by increasing access to and quality of financial services to vulnerable women.

The fund is facilitated by VisionFund, the microfinance network of World Vision.

The current and first phase of this two-phase project is focusing on significantly growing loan capital for women that can be invested to expand small businesses and farms.

Phase two will seek to strengthen the services we provide women, such as strengthening links to savings

for women, developing insurance products specifically for women, and expanding financial education.

The fund seeks to improve financial access by doubling the current reach of VisionFund International to annually benefit 2 million women and impact 6 million children by 2021.

So far, \$1.4 million has been raised toward the \$25 million needed to impact the lives of these women and children, with 24,430 women currently receiving loans through this fund.

Thank you for supporting those who are among the 1.1 billion women worldwide who have no access to financial services.



# GOAL AND EXPECTED OUTCOMES

Five-year program goal through fiscal year 2021 is to improve financial access by doubling VisionFund International's current reach to annually benefit:

2 MILLION WOMEN

6 MILLION CHILDREN

Expected outcomes:

Increase financial access for vulnerable women, particularly in rural areas

Improve quality of financial services, tailored to meet women's needs

## SEMIANNUAL HIGHLIGHTS

Strengthening systems, innovating to improve service

The initial focus of the Women's Empowerment Fund is to provide capital and other resources in the Dominican Republic, Myanmar, Rwanda, and Senegal.

All VisionFund microfinance institutions (MFIs) that receive money from the fund agree to track extensive social data that will enable the VisionFund network to analyze over time what combination of products and services produce the best outcomes for women.

Starting in FY19, a percentage of the fund (10-15 percent) will be set aside to fund innovations that specifically benefit women.

Following are accomplishments from this reporting period:

**Dominican Republic**

Traditionally, women in the

Dominican Republic tend to be more conservative than men in the loan amounts they request. This lack of confidence limits the amount they can grow their small businesses. Through financial education, VisionFund Dominican Republic is attempting to break down barriers so that women gain more confidence about the loan process and about responsible borrowing to grow their businesses.

Later this year, VisionFund Dominican Republic has plans to encourage women by providing alternative places they can make payments. These alternate payment points will include banks where VisionFund has accounts, as well as grocery stores and pharmacies. They will improve customer service by providing multiple secure locations where women can make their payments. Many of these locations have extended business hours, making the

repayment process more convenient for women who have little free time away from business and personal commitments.

Highlights:

- An educational loan, primarily to serve women with school-age children, has been designed with input from women's associations and client focus groups. It will be piloted during the fourth quarter of this year.
- VisionFund branches are providing spaces for children to play with educational games, making the experience of applying for loans and making loan payments more family friendly.

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## SEMIANNUAL HIGHLIGHTS (CONTINUED)

### Myanmar

Myanmar remains one of the poorest countries in Southeast Asia, where a drive for development is limited by a severe shortage of financial services. VisionFund Myanmar is one of the largest and longest serving MFIs in the country. It is strategically positioned to serve the financial needs of the poor in Myanmar.

#### Highlights:

- Conducted financial literacy education during loan disbursement that includes modules on wise borrowing and saving for the future.
- Opened five new branches.
- Celebrated the launch of a new loan product at one of the new branches, Hlaing Thar Yar. It is designed to aid migrant factory workers who are mostly women. The product launch was held in the ZES garment factory in January. The loans help to fund entrepreneurial activities (like the purchase of a sewing machine) or cope with family emergencies. The launch was featured on television station MRTV and in local and international newspapers including 7 Days Daily, Myanmar Business Today Journal, and Myanmar Times Daily.

### Senegal

All loan officers at VisionFund Senegal have a target that women make up 70 percent of their client portfolio.

#### Highlights:

- To better serve women without credit histories, VisionFund



Senegal lends to groups of women, which are called community banks.

- The MFI has made it a practice to specifically ask women clients for feedback on product features, helping to more directly meet the needs of women in the community.

### Rwanda

- Planning to provide agent services closer to clients who live far away from VisionFund branches. This especially helps women who have daily responsibilities for their families and households, as well as business activities.
- Training clients to request their own credit checks from the Credit Reference Bureau. This reduces costs and the time required for loan reviews. VisionFund's informational technology team is visiting each branch to train staff on this new initiative.

- Increasing advertising of its client complaint hotline, emphasizing that clients can also use it

to suggest improvements to products and services.

#### Challenges

In Senegal, VisionFund successfully targets women in rural areas, but the loan amounts requested are so low that it is difficult to achieve sustainability. To balance this lending challenge, the MFI also is targeting more women living in the peri-urban (suburban) areas, who have higher capital needs.

In Myanmar, most farmers are men, so targeting women for agricultural loans is challenging. Women in rural areas more often run small shops and raise animals to earn additional income for their families. So, the definition of rural lending needs to be broad enough to meet their needs.

Reaching the hilly areas of Rwanda is a continuous challenge. To promote good customer service, loan officers regularly visit client businesses. To encourage this approach, VisionFund provides motorcycles to loan officers.



*Members of the Mpozanguhoze loan group with their leader in the foreground.*



*Jeannette Batekereze poses with Kwizera Ndugu Frank. Frank is one of two boys that Jeannette cares for along with her own children.*

## LOAN GROUP CREATES AN ENVIRONMENT OF CARING

*The 24 members of the Mpozanguhoze lending group, in the Gatsibo district in eastern Rwanda, care for 99 children by growing rice, sorghum, and Irish potatoes. They also sell clothes and local soft drinks as well as raising goats and pigs.*

The group was formed in 2014 with seven members—all women who wanted a measure of independence from asking their husbands for money. They heard about VisionFund Rwanda and soon asked for a group loan of about \$2,100 to expand their businesses. At first, they bought and sold items within their group to develop their marketing skills. Eventually the group grew, and with their profits they were able to buy land, a sewing machine, and renovate their houses.

The members who sold food items initially cooked the food at their own homes. Then they took out a loan together to build commercial kitchens.

Their children also have greatly benefited from the work of their mothers. Many of their homes now are equipped with extended electricity. Where they once only had an electric

light in the kitchen, they now have lighting in their sitting rooms, which provides places for children to do their homework. Families also have paid school fees, and have been able to buy medical insurance, clothes, and more nutritious food. The leader of the group was able to pay school fees for her husband to attend a computer studies course where he successfully earned a certificate.

The group also engages with young people in the area to teach them about starting their own businesses and motivating them to avoid drugs and alcohol. The group also has started an initiative called Ihoreremwana (“Don’t Cry Child”) to support orphans and children from extremely poor families.

One member of the group, Jeannette Batekereze, is a married mother of six children who also is the guardian of two boys. Her four daughters are all

married and her younger sons, Jackson, 17, and Seth, 9, are in school.

Starting with a \$116 loan in 2014, Jeannette has steadily grown her soft drink business while improving her family’s life along the way. She currently is repaying her seventh loan.

She now has a store in the market, rather than selling her drinks from home. The store provides a place for clients to sit and enjoy their drinks, and this has made her well known in her community. She also grows bananas and raises pigs and goats that she bought with profits from her business.

VisionFund and her membership in Mpozanguhaze have enabled her to take good care of her children and two other children who needed help. It’s also given her standing in the community as a businesswoman and entrepreneur.

# FINANCIAL SUMMARY

Program-to-date spending expressed as a percentage of program-to-date funding

Loan capital and operations



## PROGRAM SPENDING

Summary	Program-to-Date Spending	Program-to-Date Funding Released to Project	Program-to-Date Spending Rate
Loan Capital	\$ 394,641	\$ 1,067,723	37%
Fixed Assets	\$ 544	\$ -	
Operating Costs	\$ 18,231	\$ -	
Management and Fundraising	\$ 137,805	\$ 355,908	39%
<b>TOTAL</b>	<b>\$ 551,221</b>	<b>\$ 1,423,631</b>	<b>39%</b>

*Fiscal year 2018 is from October 2017 through September 2018.*



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