



Nancy Farese / CARE

# An Agile Response in Changing Times

## Flexible funding for maximum impact

CARE's commitment to defeat poverty and achieve social justice remains as steadfast as ever. The **Impact Fund** is an indispensable tool for CARE's work, particularly as new challenges emerge. In response to a convergence of factors – including climate change, increased conflict in places like Gaza, Sudan, and Ukraine, and a staggering global food crisis – CARE's work has warranted a strategic shift toward more flexible funding, powered largely by the Impact Fund. Your donation to the Impact Fund supported the broader scope of CARE's work and enabled us to leverage each dollar for maximum progress for the world's most vulnerable people. Thank you for your support.

Flexible resources are critically important in every area of CARE's work – food security, education, climate, health, humanitarian response, and more. With access to funding that can be deployed quickly where it is needed most, CARE can be most effective, helping people adapt and thrive in the face of constant and sometimes overwhelming change.

## The flexible funding advantage

The communities where CARE works increasingly face urgent and unexpected needs due to evolving crises – whether an extreme weather event, a rapid economic downturn, or an outbreak of infectious disease. Donations to a specific project or program often cannot be applied to unforeseen needs. Flexible funding allows CARE to pivot our humanitarian response and development programming quickly.

With flexible funding, CARE can invest in testing and refining innovative, cost-effective new approaches, continuously improving our work to increase impact – a process that is not always funded by traditional grants but that can pay off many times over the long term.

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**Your gift of flexible resources through the Impact Fund helped CARE stand by women, girls, and their communities as they navigated rapid, unpredictable change and built resilience for the future.**

# Reach and Impact

CARE's programs are designed not only to **provide significant immediate benefits** to individuals – like emergency cash for food, or protection from COVID-19 – but also to **contribute to lasting change** – such as improved student outcomes, or adoption of climate-smart farming practices.

We track our progress on both levels: **reach** – the total number of people touched by CARE programs over the course of the year, and **impact** – a more targeted measure of the number of people who experience lasting change in their lives.

Since 2021, CARE has documented impact in **the lives of 56.6 million people in 121 countries**: 20.1 million through humanitarian interventions, and 36.5 million through other programs. Some examples:

- **Education:** 380,000 students have achieved better grades/graduation rates.
- **Food and Farmers:** 250,000 people are more food secure as a result of climate-smart agriculture, crop diversification, VSLAs, etc.
- **Humanitarian:** .3 million people are supplied with emergency drinking water meeting humanitarian standards.
- **Right to Health:** 1 million women have access to contraception.



Women in VSLAs are 15% more likely to hold leadership roles in their communities.

## The Impact Fund in Action

CARE aims to create lasting change in the lives of 200 million people by 2030 by addressing the world's greatest challenges. In the three years since we rolled out our Vision 2030, CARE and our partners have positively impacted some **56.6 million people** (28% of our goal). To stay on track and meet our goal, we use flexible Impact Fund resources to help drive our program priorities forward.

CARE made **strategic allocations of flexible resources** from the Impact Fund to a variety of programs last year, including some of CARE's most innovative and successful interventions that will allow us to reach our ambitious Vision 2030 goals. These investments have enabled CARE to create, test, and prove strategies in response to today's complex challenges. Moreover, our innovations have been widely adopted by humanitarian and development organizations and, with consultation from CARE, by governments, multiplying their impact. In the following pages, we share examples of CARE programs that are making a lasting impact. These achievements – and countless others – are possible only with your support.

**WOMEN'S ECONOMIC JUSTICE:** When women can **save, invest, and participate fully in their communities, everyone wins**. Worldwide, an estimated 1.1 billion women lack access to formal financial services – and thus have few options to save money, borrow, or invest in businesses<sup>1</sup>. **For tens of millions of women, the solution is to become their own bankers**. CARE's pioneering Village Savings and Loan Association (VSLA) approach involves forming savings groups with 20 to 25 participants. Members – mostly women – make modest regular savings contributions and can borrow to invest in small enterprises, get emergency insurance, pay for necessities, meet unanticipated needs like medical expenses, and support their children's education. Participants repay the loans with low interest rates, which helps the groups' funds grow. This approach not only gives financing options to women who don't have access to traditional banks, but also **creates communities of women** who learn leadership and management skills, gain confidence, and **collectively address social issues that have held them back**.

<sup>1</sup> <https://www.fao.org/3/cb0569en/cb0569en.pdf>



Today, **nearly 20 million people – mostly women** – are members of CARE VSLAs. And for every group we stand up, at least one more is formed on its own using CARE's methodology. VSLAs have become the foundation of CARE's work in:

- **Food and nutrition security** – By forming VSLA networks, we are increasing market access and negotiation power for women farmers.
- **Climate change** – We are expanding our work with VSLAs to launch microenterprises for producing and selling environmentally friendly products such as green charcoal, compost, and trees that provide conservation and economic value, benefiting entire communities.
- **Humanitarian response** – Since 2019, we have used a **VSLA model for emergency settings**, proving that when power is returned to even the most vulnerable women, they can improve their situation. For example, women save an average of \$220 a year in Yemen, and 96% of participants in Syria now have enough nutritious food to eat.

CARE aims to scale VSLAs to reach **62 million people** by 2030 by:

- Working with 10 **national governments**, from Uganda to Vietnam, to shape their financial inclusion policies to promote VSLAs and unlocking \$6 million in complementary funding to scale VSLAs through national programs.
- Advancing efforts to **digitalize VSLAs**, attracting +\$2 million in donor investment, including \$1.4 million from the Gates

Foundation to test approaches to formal credit provision for VSLA members.

- Developing a **graduation approach** for VSLA members into entrepreneurship, and adapting digital, credit, and targeted support to emerging entrepreneurs from VSLAs into higher levels of growth.

In total, VSLA members save at least **\$650 million annually**. Women are gaining more equitable access and control over economic resources, which can advance the U.N. Sustainable Development Goals.<sup>2</sup>

**RIGHT TO EDUCATION:** Accelerated learning helps level the playing field for girls who have **missed out on school**. Millions of adolescents are out of school because they were forced to drop out or never had a chance to enroll. This leaves far too many of them caught in an intergenerational cycle of poverty, vulnerable to financial insecurity, exploitation, early marriage, and pregnancy. CARE's accelerated learning program, **Strengthening Opportunities for Adolescent Resilience (SOAR)**, provides adolescents ages 10 to 19 with a second chance to build essential knowledge in reading, math, and environmental science, complemented with leadership and life skills that improve their decision-making and negotiation.

<sup>2</sup><https://sdgs.un.org/goals>



Praise Perry / CARE

## Bridging the Gender Digital Divide

Women's economic opportunity suffers because they are less likely than men to access and use mobile devices and the internet. CARE is addressing the gap through our VSLA work by targeting discriminatory norms, building skills, and working with market actors to offer safe, reliable, affordable products to VSLA participants. For example, the CARE-developed Chomoka app allows groups to digitally track their activities, leading to a better credit history, which in turn allows them to connect to the formal financial sector and access more capital.

Out-of-school adolescents are enrolled in an accelerated education program where they can **earn the equivalent of a primary school or basic education in just 11 months** (depending on the local context), setting them up to transition to formal school or another pathway, such as vocational skills training. At SOAR schools, they are taught by trained teachers/facilitators who follow a compressed curriculum developed or updated by CARE, in partnership with the Ministry of Education in each country. Parents, community members, and key decision-makers help create safe and inclusive learning environments to support these young people on their journey to a better life. Overall, CARE's education and empowerment work – including the SOAR program in countries like **Ethiopia, Malawi, Nepal, Pakistan, Somalia, Tanzania, and Zambia** – reaches approximately 3 million children and adolescents per year, with a focus on girls. SOAR boasts a high success rate – in Nepal, for example, **86% of girls graduate and transition to secondary schools**. Each year of secondary education significantly increases a girl's future wages.



### Highlights from current SOAR programming include:

In **Malawi**, since 2017, SOAR has reached more than 4,000 out-of-school adolescents. During the 2023-2024 school year, CARE supported SOAR in 18 government Complementary Basic Education (CBE) schools in five districts. In recent years, 81% of learners completed the 11-month course, and approximately 60% of those who passed the SOAR final exam transitioned to formal education the following school year. Based on positive results, the Ministry of Education announced its intention to adopt and scale SOAR (starting in 2024) as the national CBE program model. In 2024, CARE and the Ministry of Education began updating the national CBE guidelines to reflect the CARE model, marking an important step forward. This expansion will require ongoing technical support and training from CARE.

In **Nepal**, our SOAR program was originally designed to provide an intensive, 11-month high-quality condensed curriculum, including leadership and life skills, for girls ages 10 to 14 who were unable to either start or finish primary school and help them successfully transition into formal public schools. The model recently expanded to include girls ages 15 to 19, who cover the equivalent of Grades 6 to 8 and transition into upper grades or achieve a secondary school diploma. CARE developed the curriculum, teaching guides, and learning materials in close collaboration with the Ministry of Education, UNESCO, and UNICEF. To date, CARE and our partners have enrolled more than 3,700 out-of-school adolescent girls in accelerated learning courses. A recent study conducted with 1,388 girls who completed the SOAR program found that only 18% had married, below the national average. While many first marriages in Nepal occur when girls are as young as 15 to 17, the SOAR graduates who married did so, on average, just before their 19th birthday.







Toby Madden / CARE

In **Somalia**, CARE supported access for 67,509 children to quality accelerated basic education and nonformal education. By the end of the project, their average reading comprehension score increased by 22%, and average numeracy score increased by almost 11%. Among girls and young women who participated in non-formal education classes in 2023, almost 47% transitioned to formal education, vocational skills training, or livelihoods within six months of graduation. Within one year of graduating, 44% transitioned to primary education or more advanced accelerated classes.

CARE's education programming – including SOAR – reached 13.6 million people last year.<sup>3</sup>

**RIGHT TO HEALTH:** Strengthening women frontline workers improves care at the last mile. For far too many people around the world, the universal right to health remains unrealized. **Frontline community health workers (FCHWs)**, most of them women, are a key to providing healthcare in hard-to-reach and disadvantaged communities – but they face many barriers, including heavy workloads, low pay, and inadequate training and support. **Investing in primary healthcare systems and the health workforce is crucial for achieving universal coverage and preparing for future pandemics.**

**CARE aims to support 50 million people by 2030 to achieve their right to health**, including sexual and reproductive health rights for 30 million women and girls. We seek to build resilient, equitable, and accountable health systems that can respond to shocks and crises and ensure sustainable access to quality health services for all.

<sup>3</sup> Fiscal Year 2024 (July 1, 2023-June 30, 2024)

<sup>4</sup> <https://www.care.org/sheheals>

<sup>5</sup> <https://play.google.com/store/apps/details?id=com.care.thanzilanga>

**CARE's Right to Health strategy focuses on:**

**Strengthening local health systems.** We know local communities are experts on their own situations, and working together is the best way to build strong, self-sufficient, and equitable health systems. CARE works with partners to ensure that high-quality integrated primary health services are **both available and accessible**. Through programs like the new **She Heals the World** initiative<sup>4</sup>, CARE and our partners are leading a global effort to ensure that FCHWs, particularly women, are adequately supported, compensated, and integrated into formal healthcare systems, thus ensuring equitable and more sustainable healthcare provision. For example, in **Bangladesh**, we train, equip, and support FCHWs to provide quality maternal, child health, and nutrition services at community clinics.

**Shifting harmful social and gender norms and improving access to health information and services.** This includes addressing child, early, and forced marriage; inequities in decision-making power; restrictive access and provider bias on family planning; and other **harmful practices that negatively impact women's and girls' health outcomes**. Our programs ensure that adolescents, including those facing social isolation or pregnancy, receive support. In **Zambia**, CARE is piloting the *Thanzi Langa* (My Health) app<sup>5</sup>, where young people can order prescription-free contraceptives and learn about sexual and reproductive health from trained peers. The project also supports parents and caregivers to discuss traditionally sensitive or taboo subjects related to family planning.



Rodrigo Garcia / CARE

In Guatemala and Honduras, CARE worked with five local and regional partner organizations to strengthen equitable access to COVID-19 vaccinations and other essential health services for expectant mothers in rural, predominantly indigenous communities.

**Working with governments and communities to prepare and respond to health needs in emergencies.** Natural disasters, climate change, and conflict make it harder for women and girls to access urgently needed essential health services, including maternal, sexual, and reproductive health services. In these settings, CARE works with local partners and governments to deliver lifesaving interventions and strengthen existing health systems so they can respond to future shocks. We also leverage our “last-mile” reach to deliver critical services to remote areas.

**Supporting and amplifying the role of local civil society organizations to identify and lead local solutions.** CARE works closely with on-the-ground partners, including community organizations and the private sector, to advocate for the right to health and to hold governments accountable. In **Guatemala**, for example, CARE is working in partnership with Indigenous midwives to improve access to sexual and reproductive health and rights for vulnerable women.

CARE's health programming reached  
11.5 million people last year.

**HUMANITARIAN ACTION:** Complex emergencies demand a flexible and sustained response. CARE has nearly 80 years of experience meeting urgent needs and addressing the root causes of suffering around the world. CARE's humanitarian interventions reached nearly 22 million people last year – across the spectrum from immediate, lifesaving aid to rebuilding for a safer, more prosperous future.

The humanitarian sector faces unprecedented demands, and CARE is determined to do our part and more. **We aim to provide quality humanitarian assistance** to 10% of those affected by major crises worldwide by 2030, **impacting at least 50 million people by 2030.** Meeting that challenge requires flexible funding that can be applied across emergency response and related long-term development. Spending on humanitarian response makes up about half of CARE's annual budget. Nearly half of that is earmarked for programming that spans various impact areas. For example, one of the largest

multi-sector investments over the past year is a \$25 million humanitarian project in Northwest Syria, focusing on food, water, healthcare, and economic empowerment/livelihood assistance.

CARE recognizes that **women and girls are disproportionately affected by crisis, yet their voices often are ignored** during emergency response planning and coordination. We work to ensure that our broad and diverse humanitarian programming is designed with and led by people who know the context best – by **emphasizing local leadership and recognizing the role of women** as key frontline responders. Our unparalleled network of local, national, and global partners helps us realize our commitment to redistributing power and working toward greater local and women's leadership in response and within the humanitarian system.

Some highlights from CARE's humanitarian work in the past year:

- **Global** – CARE developed the Humanitarian CARE Package, a compact disaster kit with 36 essential items to provide shelter, kitchen, water, and hygiene supplies to a family of four.
- **Colombia** – CARE supports mobile services with a gender focus along migratory routes, including protection and safe spaces for survivors or those at risk of sexual and gender-based violence.



After 18 months of conflict, more than half the population of Sudan faces acute hunger. CARE provides cash to enable families with malnourished children under 5, and pregnant and breastfeeding women to buy nutritious food.

- **Gaza** – CARE has provided water, sanitation, and hygiene services to more than 595,000 people, helping combat the spread of diseases due to a lack of access to safe water.
- **Sri Lanka** – In the face of protracted political instability and economic crisis, CARE engages with vulnerable communities, from supporting students to enhancing agricultural facilities and promoting financial inclusion.
- **South Sudan** – CARE is bolstering our programming to reach former refugees returning to South Sudan from abroad, as well as new arrivals fleeing the conflict in neighboring Sudan.
- **Ukraine** – CARE provides services for people affected by the Ukraine conflict, both inside Ukraine and in countries hosting refugee populations. Examples include:
  - Training on trauma and psychosocial education for individuals working with refugees in Germany.
  - Sexual and reproductive healthcare services to the Ukrainian Roma community in Hungary.
  - Employment and integration assistance for Ukrainian nationals in Slovakia.



The **CARE-WWF Alliance**, formed in 2008, works at the intersection of climate change solutions and programming that strengthens the power and determination of women in areas impacted by climate change.

The Alliance brings together WWF's expertise in conservation and restoration; CARE's expertise in gender equality, nutrition, and livelihood development; both organizations' combined expertise in climate change adaptation; and their joint presence in more than 40 countries.

## CLIMATE CRISIS AND FOOD SYSTEMS:

**Investing in women farmers is the key to building resilience in the face of climate change.** The complex, interrelated crises of environmental degradation, hunger, and inequality disproportionately affect the world's poor. Climate change and a worsening global food crisis put them at even greater risk. Over the past two decades, natural disasters have claimed some 1.2 million lives and affected more than 4 billion people – many of them multiple times. Moreover, disasters contributed to nearly \$3 trillion in economic losses worldwide.

CARE is working to turn the tide, helping vulnerable people build sustainable livelihoods, withstand shocks, and change the circumstances that hold them back. Climate solutions must involve women small-scale farmers – who feed much of the world, but all too often are denied the support they need to do their indispensable work. CARE's proven **Farmer Field and Business School (FFBS)** approach is at the forefront of strengthening them. FFBS helps small-scale farmers, mostly women, build the skills they need to **increase production, improve resilience and sustainability, adapt to climate change, diversify diets, and boost nutrition.** It also enables farmers to access markets and sell their harvests at competitive prices. FFBS is a game-changer for improving the status of women, by helping them to become successful farmers, businesspeople, leaders and agents of change. It's also extremely cost-efficient: **FFBS yields a \$31 average return on every \$1 invested in women small-scale farmers.**

CARE has implemented 118 projects with FFBS components in 41 countries, reaching 5.7 million small-scale producers and their household members since the program started in 2012.

FFBS is a key component in CARE's **community-based adaptation approach** to climate change. We work with at-risk communities and local authorities to jointly analyze their vulnerability and capacity to respond to climate impacts. Investing in social protection/safety nets (like VSLAs) and early recovery actions is essential to ensure that climate-affected populations are better prepared to face the next potential extreme event. This



includes developing early warning systems, climate adaptation action plans, and anticipatory scenario planning that can trigger prepositioned financing and supplies ahead of an impending climate emergency. Since 2021, CARE has helped more than 577,000 people adopt practices like irrigation, regeneration, and drought-resistant crops to protect their livelihoods from climate-related shocks. **Last year, CARE reached 19.8 million people through our food, water, and nutrition work and an additional 4.5 million people through our climate justice programming.**

Women are leaders, innovators, and the driving force behind many of the solutions that could mitigate the worst effects of climate change.

- In **Zimbabwe**, Sheba Ngara and her community have built water harvesting systems to combat the severe droughts that are drying up traditional water sources. *“Without water, there is no life,”* Sheba says. *“We lost a lot of livestock due to theft and crocodiles in distant water sources they had to travel to.”* With CARE’s support, Sheba’s community no longer has to travel more than 3 miles to find water for their crops and livestock. The water harvesting system has secured the village’s food supply and allowed them to sell surplus vegetables, boosting the local economy. The income generated helps fund school fees and community savings programs, offering hope amid the climate chaos.
- In **Timor-Leste**, women like Petronella da Cruz (at right) participate in VSLAs that set aside funds for emergencies and help raise awareness about disaster prevention and preparedness. At-risk communities are working together with CARE to increase resilience and reduce vulnerability to disaster and the impact of climate change, with a special focus on gender equality, disability, and social inclusion. *“In the past it was only men who were the kings and sat in parliament, and we women had to be in the kitchen,”* Petronella says. *“But now... the matter of gender has been raised. We also now have opportunities to be able to protect ourselves, to become leaders.”*
- Across **Africa**, flexible funding supported CARE’s work with the Africa Food Changemakers (AFC) to empower women and entrepreneurs in the

agri-food sector, focusing on expanding women’s participation, updating training for women and men, and enhancing business practices. CARE and AFC are exploring ways to scale entrepreneurship for women across the continent.

## Resourcing the Vision

For nearly 80 years, donor support has fueled CARE’s global poverty-fighting mission. We take that responsibility seriously and have invested in innovative and efficient programming that yields the most progress for people facing crisis and poverty worldwide. By supporting the Impact Fund, you empowered CARE to direct resources where they could be most useful and cost-effective in support of our collective mission to save lives, defeat poverty, and achieve social justice, especially for women and girls.

**On behalf of the communities in more than 100 countries that join hands with CARE for a better future, we thank you for your trust.**

