

## SUMMARY

COVID-19 upended economies around the world in 2020, particularly those in places where World Vision serves those in extreme poverty. The launch of Recovery Lending for Resilience in response to the pandemic offered a financial lifeline through loans to farmers and small business owners, giving them crucial help to regain their livelihoods.

During the reporting period, which covers the last four months of FY20, VisionFund (World Vision's global network of microfinance institutions) provided more than 110,000 loans totaling more than \$13 million. This benefited nearly 80,000 women (71% of all borrowers) and impacted almost 140,000 children.

The loans were provided to two groups. We made loans averaging \$496 to microfinance clients in


Guatemala, Kenya, Mexico, Senegal, and Zambia to help borrowers restore or diversify livelihoods, such as by re-establishing markets and value chains for their products. We also provided loans averaging \$33 to \$65, depending on the country, to savings group members in Ghana, Malawi, Rwanda, and Uganda. This helped members, who needed more capital than they could save among themselves, to restart businesses.


COVID-19 significantly disrupted local markets and travel, as well as general economic activity for our clients. To reduce face-to-face meetings during the pandemic, as well as lending costs and reliance on cash, the project sped up our ongoing investment in digital and mobile technologies. We are focusing on rolling out mobile money in all countries where our microfinance institutions operate.





*Esther Fuentes sells papaya that she and her husband, Francisco, grow in Pinotepa, Mexico. She leads a World Vision savings group and used a VisionFund loan to buy fertilizer. During the pandemic, she has kept her business afloat and even been able to retain two full-time employees for the farm.*

## PROGRESS ON CORE ACTIVITIES

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111,091 loans were provided to support recovery of livelihoods (Ghana, Guatemala, Malawi, Mexico, Kenya, Rwanda, Senegal, Uganda, and Zambia). Loans helped clients prepare for the farming season, restore livestock herds, restock shelves, and other recovery efforts.
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84,654 people participated in 2,813 savings groups (Ghana, Malawi, Rwanda, and Uganda) and received loans. This helped clients restore funds they had drawn down during the pandemic, boost savings among themselves, and restart businesses.
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8 countries started needs assessments for new core banking systems (Democratic Republic of the Congo (DRC), Guatemala, Kenya, Mali, and Senegal) or began mobile money and tablet projects (Ghana, Malawi, and Uganda).
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4 countries completed plans for training staff in Empowered Worldview (a faith-based approach to helping communities shift from a mindset of dependency to empowerment), and initial training held with 85 leaders from Ghana, Kenya, Malawi, Mongolia, Myanmar, Philippines, Rwanda, Sri Lanka, Tanzania, and Zambia.

## KEY LEARNINGS

World Vision research found that about 90% of our clients in Africa, the location of most countries in this project, have lost revenue during the pandemic. They especially lacked demand for their products and money to restart businesses. Recovery lending helps farmers, savings groups members, and small business owners in rural areas gain access to badly needed capital.

The current crisis also continues to show the vital need of moving to cashless, mobile money and a mobile data collection environment. By investing in digital and mobile technologies, we are working to improve productivity while extending our reach to remote areas.



“Recovery Lending for Resilience is bringing hope to our microfinance institution in Senegal and elsewhere in the region. They can have the systems and resources to [help] our clients recover, and in turn, the program is bringing hope to clients that they can recover their livelihoods.”

—Rose Iyadede  
Regional Program Manager,  
Africa

## LIFE-OF-PROGRAM UPDATE



## PLANS FOR THE NEXT SIX MONTHS

The following is a partial list of upcoming work: **DRC:** Engage vendor and start recovery lending. **Ghana:** Recruit staff members to focus on savings groups, start recovery lending to members. **Guatemala:** Prepare for and initiate digitization activities. **Kenya:** Continue recovery lending, assess and improve project, progress with digitization activities. **Malawi:** Finalize plan to scale up recovery lending to savings group members, complete digital transformation. **Mexico:** Continue recovery lending. **Senegal:** Continue re-engineering digital and mobile money technologies. **Uganda:** Start recovery lending, including to savings group members. **Zambia:** Continue recovery lending, complete mobile and digital transformation.

## THANK YOU

In a world rocked by COVID-19, your generous support helps vulnerable people regain their footing, restore their livelihoods, and return to providing for their families. Thank you for helping to stabilize lives and improve child well-being.

\*The FY20 “Actual” numbers represent less than a six-month period, as the Recovery Lending for Resilience project started after the COVID-19 pandemic began in the U.S.

The project spans FY20 through FY23.

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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.

## FINANCIALS

Program spending October 2019 through September 2020

Funding generously provided by individual major donors:

Activity	Year to-Date Spending	Program-to-Date Spending	Program-to-Date Funding Released to Project
Recovery Lending	\$ 713,526	\$ 713,526	\$ 713,526
Savings Groups	\$ 62,696	\$ 62,696	\$ 187,296
Empowered Worldview	\$ 149,600	\$ 149,600	\$ 144,671
Digitization and Change	\$ 319,300	\$ 319,300	\$ 534,800
Global Technical Support, Monitoring, and Evaluation	\$ -	\$ -	\$ 34,467
<b>Subtotal</b>	<b>\$ 1,245,122</b>	<b>\$ 1,245,122</b>	<b>\$ 1,614,760</b>
Quality Assurance	\$ 93,719	\$ 93,719	\$ 121,541
Management and Fundraising	\$ 446,280	\$ 446,280	\$ 578,767
<b>Subtotal</b>	<b>\$ 539,999</b>	<b>\$ 539,999</b>	<b>\$ 700,308</b>
<b>TOTAL</b>	<b>\$ 1,785,121</b>	<b>\$ 1,785,121</b>	<b>\$ 2,315,068</b>

Funding generously provided by foundation partners:

Item	Budget	Expenditure	Budget Balance	Expenditure %
Lending for Economic Empowerment – Rural Financial Services	\$ 3,400,000	\$ 2,100,000	\$ 1,300,000	62%
Digitization and Change – Program Coordination	\$ 2,912,500	\$ 54,690	\$ 2,857,810	2%
<i>Total Direct Costs</i>	<i>\$ 6,312,500</i>	<i>\$ 2,154,690</i>	<i>\$ 4,157,810</i>	<i>34%</i>
Program Coordination and Quality Assurance	\$ 437,500	\$ 148,750	\$ 288,750	34%
Management and Fundraising	\$ 750,000	\$ 255,000	\$ 495,000	34%
<b>TOTAL</b>	<b>\$ 7,500,000</b>	<b>\$ 2,558,440</b>	<b>\$ 4,941,560</b>	<b>34%</b>