

THRIVE and Recovery Lending: Our Economic Empowerment Responses to COVID-19

Did you know that World Vision began working on our responses to the economic devastation of COVID-19 a long time ago? In fact, we began our key work back in 2012 and 2013! We've been systematically building resilience, and have been preparing for rapid, catastrophic financial shocks. It's a good thing we've been getting ready, since those are the issues COVID-19 lays bare for many of the people World Vision serves.

World Vision's core Economic Empowerment program, THRIVE, is aimed at smallholder farmers and is purpose-built for people who are not only far too poor, but are also vulnerable to external shocks. THRIVE stands for Transformed Household Resilience in Vulnerable Environments.

COVID-19 is a shock to households and national economies around the world. This external event has shown all of us where we are vulnerable. Whether we are in the USA or Uganda, it has shown us where we need to build human, financial, social, natural, and physical capital. It has exposed needed capacities to adjust and bounce back.

Back in 2012 we began addressing the challenges faced by smallholder farmers and pastoralists facing famine and drought. Most people remember that THRIVE aims to build **IMPROVED** livelihoods for smallholder farmers. We do this because most of the people who are still living in extreme poverty on our planet are smallholder farmers, and they are simply too poor to fully provide for their family needs.

But THRIVE also aims to also build **RESILIENT** livelihoods. Most of the shocks we plan for and address are precipitation-related issues like drought or flood, market-related like oversupply or value chain disruptions, or agriculture-related like animal or plant diseases. That is why we emphasize reforestation, the use of agro-forestry, or soil and water conservation. We support farmers to sell together to get better market prices and reliable market access. We create early warning systems for pests and weather problems. But we also help build resilience through an Empowered Worldview and then membership in a Savings Group. Cash savings is **ALWAYS** a good buffer against shocks! THRIVE was and remains our best way to help smallholder farmers who are both too poor and too vulnerable, and lift them out of both extreme poverty and

But what about if there has been a catastrophic shock?

Back in 2013 VisionFund began Recovery Lending following Typhoon Haiyan's destruction in the Philippines. We learned that for people whose businesses have been suddenly devastated, a working capital loan helps them quickly get back on their feet. The lessons from the Philippines were applied in Southern and Eastern Africa with farmers, and we saw the same rapid recovery. We have learned that it is critical to lend into the teeth of the crisis, since that is not only the biggest need, but results in the biggest effect. Now, Recovery Lending's time has come to the entire world!

Our Recovery Lending for Resilience program is aimed at all 28 countries where VisionFund operates and is aimed primarily at rapidly recapitalizing those running their own small farms and businesses negatively impacted by COVID-19.

World Vision has a double-barreled, double-fisted response to the economic devastation of COVID-19 - THRIVE and Recovery Lending. Both are needed. Both are ready. Both are working now.