

ECONOMIC
EMPOWERMENT

ECONOMIC EMPOWERMENT FUND

» SEMIANNUAL REPORT: October 2019 through March 2020

Prepared August 2020

ECONOMIC EMPOWERMENT

GLOBAL SUMMARY

You are helping families stabilize livelihoods, become resilient, and gain hope

For those facing severe hardships, the struggle to provide even the most basic family necessities and break the cycle of extreme poverty is daunting. World Vision works to help people gain not only economic empowerment, but a more hope-filled future.

In FY20, our THRIVE (Transforming Household Resilience in Vulnerable Environments) model continued to bring life-transforming results as a key part of World Vision's global livelihoods strategy.

With our partner 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 indicated a

significant and positive impact on parents' ability to provide for their children's needs through increased household income and assets.

World Vision also continues to offer access to vital financial services through VisionFund, our microfinance network. For farmers and small business owners, a loan can significantly improve income and business growth.

Families that benefit from improved livelihoods invest not only in their businesses, but also in the education of their children, more nutritious food, clean water and sanitation, improved healthcare, and a better quality of homes.

We are thankful for your partnership as we empower families to move out of extreme poverty—and to prevent families from falling back into it. Thank

you for helping to restore and stabilize the livelihoods of people who are among the most vulnerable in the world.



GLOBAL UPDATE

1.5 MILLION PEOPLE* provided with access to economic empowerment since the beginning of the project, including 220,878 during fiscal year 2020.

*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.

Program-to-Date Spending

\$50,553,355 budget

83%

Program-to-date spending expressed as a percentage of program-to-date funding of \$61,049,703

HONDURAS

PROGRAM OVERVIEW

Thank you for joining World Vision in ministry to help families in Honduras. Because of your generosity and faithful prayers, 457 smallholder producer groups have received support services through THRIVE in the first half of fiscal year 2020.

Additionally, of those receiving support, 395 producer groups reported having initial income of \$2.1 million, and the remaining 62 producer groups shared they had no prior income. After participating in THRIVE, participants reported their gross income had increased by an impressive 213% to \$6.6 million. They improved agricultural practices and use of technology (such as irrigation

systems), gained access to financial services through savings groups and small loans from VisionFund, and accessed greater markets by joining producer groups that allowed them to earn better prices for their products by selling to commercial buyers in bulk.

By the end of the reporting period (March 2020), COVID-19-related closures and restrictions to combat the spread of the deadly disease began to impact operations. Thankfully, THRIVE-trained farmers have learned financial management and many have established emergency savings to withstand a crisis such as this.



3,440 smallholder farmers used improved agricultural technology.

Life-of-program target: 10,000

34%

6,671 people accessed financial services.

Life-of-program target: 14,000

48%

9,676 farmers accessed markets.

Life-of-program target: 14,000

69%

Accomplishments in FY20 included:

- 5,210 producer and savings group members started Entrelazos training. Participants were guided through multiple phases to establish building blocks for successful businesses.
- 1,367 smallholder producers (34% women) learned to improve agricultural practices through technical

assistance provided by the project.

- 2,945 producer and Savings for Transformation group members (49% women) completed life improvement plans using the Empowered Worldview approach. They gained a biblically empowered worldview—learning they are created in the image

of God, accountable for their actions, and needing to seek God's calling to change the world around them.

- 457 groups reported having \$13,122 in emergency savings to support the most vulnerable during a crisis.

Economic empowerment activities, including microloans

\$8,589,164 spent

74%

MALAWI

PROGRAM OVERVIEW

Halfway through fiscal year 2020, Malawi THRIVE participants continue to grow their incomes, resilience, and hope for the future.

The project aims to build stronger and more resilient livelihoods for 16,000 smallholder farmer households in Nkhoma, Chilenje, Nthondo and Chikwina-Mpamba area programs through increased food production, access to reliable markets, improved natural resource management, and access to financial services by 2022.

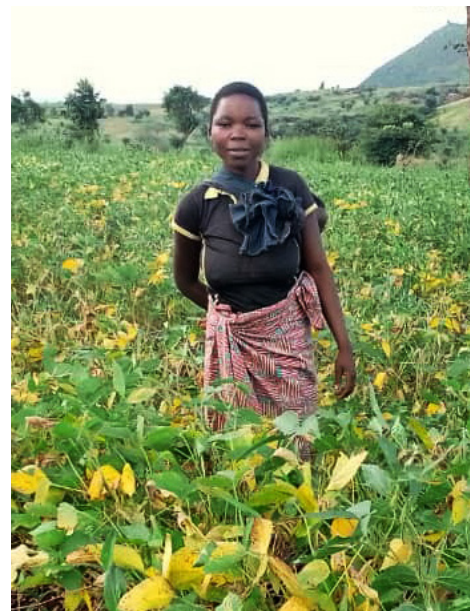
All participating households commit to engage in multiple project interventions, create short- and long-

term development plans, and send their children to school.

Participants achieved a 9.6% increase in prices for their crops compared to the same period last year—a result of new buyer partnerships made possible by collective trading.

Farmers accessed more than \$24,000 in loans through Savings for Transformation groups, a 46% increase over the same period last year.

THRIVE shows what's possible when families are empowered to embrace their God-given worth and potential. Thank you for helping cultivate hope for families in Malawi.



14,534 smallholder farmers used improved agricultural technology.

Life-of-project target: 16,000 **91%**

15,313 savings group members accessed financial services.

Life-of-project target: 16,000 **96%**

9,461 farmers accessed markets

Life-of-project target: 16,000 **59%**

Accomplishments in FY20 included:

- Farmers accessed over \$24,000 in loans through Savings for Transformation groups, up 46% from the same period last year.
- 1,496 farmers (49% over target) earned \$280,318 through collective selling of crops, with price gains from 8% to 10%.
- 14,534 farmers used improved seeds (91% of project target). The average increase in yield per hectare (2.47 acres) has increased 10% since the project began.
- 11,872 members from 1,171 savings groups together saved \$1,212,595, and 85% of savers receiving their share-outs invested in improved farming resources.

Economic empowerment activities, including microloans

\$5,412,636 spent **83%**

MEXICO

PROGRAM OVERVIEW

World Vision joins families in Felipe del Progreso and San Jose del Rincon in thanking you for coming alongside them in their efforts to build better lives for themselves—for today and for generations to come.

Building a culture of saving income to improve farming and business ventures, taking out business loans, developing an entrepreneurial vision, and changing mindsets from dependency to empowerment are working together to change lives in these communities.

Members of savings groups also are learning how to assert their rights and lobby government entities for the services needed for communities



to thrive. This helps ensure positive changes and impacts are sustained

long after this project ends and World Vision has left the area.

8,490 members accessed financial services.



2,823 people received Empowered Worldview training.



Accomplishments in FY20 included:

- Empowered Worldview training has improved relationships between the family and strengthened the social fabric within project communities. People who once lacked confidence to engage others about their aspirations have actively participated in community activities, including sharing successful experiences in saving money through participating in Savings for Transformation groups.
- 3,648 people have participated in local savings and loan groups comprising 10 to 20 members each. Members use their savings to build economic capital to invest in microbusinesses or expand existing ventures. A social fund provides members with assistance if illness or death strike a family.
- 1,824 people were trained on the Entrepreneurial Vision methodology, which helps them develop the tools, knowledge, and skills needed to start and run a small business. So far, 147 producers who have taken part have developed and implemented business plans.
- 123 people have taken Citizen Voice and Action training, which helps community members advocate for services and work with government to guide policy decisions and make improvements in their communities.

Economic empowerment activities



RWANDA

PROGRAM OVERVIEW

Stronger families. Sustainable incomes. Empowered mindsets. Rwanda THRIVE is helping smallholder farmers achieve these long-term results with tools that empower them to take charge of their present and plan for their future.

Through savings groups, participants are shifting from a mindset of dependency to self-efficacy. The project hosts 628 savings groups (97% of target). In this reporting period, 61 groups shared out more than \$58,000 to help members invest in new income-generating assets.

Learning improved farming techniques and natural resource management is

helping farmers sustainably increase incomes: More than 10,000 are using improved seeds, 2,255 (13% over target) are using water catchment techniques, and farmers have formed 1,048 producer groups to access new and better markets.

More than 15,000 participants have received biblically based training on Empowered Worldview, learning how to seize new opportunities and recognize their God-given potential.

With help from generous donors, like you, more Rwandan families are envisioning brighter futures and taking steps to achieve them.



10,266 smallholder farmers used improved agricultural technology.

Life-of-program target: 13,000 **79%**

12,420 people accessed financial services.

Life-of-program target: 15,700 **79%**

15,783 farmers accessed markets.

Life-of-program target: 13,000 **121%**

Accomplishments in FY20 included:

- More than 10,000 participants now have savings available for emergencies, and 5,890 have implemented early warning systems to help them plan ahead for financial shocks and stresses.
- The average amount loaned per savings group increased from \$920

to \$1,060; currently, there are 12,420 savings group members who have saved a life-of-project balance of \$334,523 (34% over target). This has mainly been invested in agricultural projects.

- To date, participants have experienced an average increase

in crop yield per hectare (nearly 2.5 acres) of 46% through implementing improved technologies.

- The project has 1,048 producer groups with 15,783 members—the fact that membership is 21% over target demonstrates the value of the groups to participants.

Economic empowerment activities, including microloans

\$3,282,344 spent **54%**

TANZANIA

PROGRAM OVERVIEW

At the midpoint of its seventh and final year, the Tanzania THRIVE project had reached 17,239 participants with training to increase their skills and opportunities for enhanced livelihoods.

To date, nearly 9,000 smallholder farmers have used improved seeds and received training on better agricultural tools, such as drip irrigation systems. At least 350 savings groups and producer groups have been formed. More than 4,800 participants have taken out microloans. Nearly 9,000 participants use their Empowered Worldview training to make key decisions for their

families. About one-quarter or more of each accomplishment was achieved in FY20. In all these categories, the project has reached 93% or more of its targets.

Farmers have increased productivity and profitability through local value chain development, practicing sustainable agriculture, and training on business skills and entrepreneurship.

Thank you for your support, which is helping us equip project participants to strengthen livelihoods, become more resilient, and better care for their families.



8,976 smallholder farmers used improved agricultural technology.

Life-of-program target: 9,000

99%

8,519 people accessed financial services.

Life-of-program target: 9,000

95%

6,421 people accessed markets.

Life-of-program target: 9,000

71%

Accomplishments in FY20 included:

- 24 of 33 project villages have established banana value chains, influencing farmers even in neighboring villages. A crop laboratory collaborating with the project provided farmers with quality vines and technical support.
- More than 220 poultry farmers

continued using value chains and gained access to an improved chicken hybrid through VisionFund loans. A collaboration with partner RECODA helped 99 lead farmers learn modern poultry production skills. In turn, they coached 936 other farmers.

- 2,052 participants planted trees to help rehabilitate and reclaim land for agriculture. One hundred tree seedlings were planted to protect the Mbuyuni Chaco dam area from runoff and improve the local microclimate. Two demonstration sites were established to regenerate trees and restore land.

Project-to-Date Spending

\$ 14,366,039 spent

93%

ZAMBIA

PROGRAM OVERVIEW

Despite the impact of COVID-19 and weather challenges, farmers in the Zambia THRIVE project continued to show progress in economic empowerment.

Farmers focused on seed production and participated in their first producer group purchase, saving money in the process. Corn yields are projected to increase by more than 60%, with peanut and soybean yields at least doubling.

We have reached 70% or more of the project targets for farmers using improved seeds, for participation in

savings groups, for acreage reclaimed for agriculture, and for training on Empowered Worldview.

Nine chiefdoms agreed to set aside 1,910 acres to restore and improve forests and other lands.

We made adjustments necessitated by the pandemic to keep participants engaged and resilient.

“Through your support, these farmers are able to stand on their own amidst a crisis like COVID-19, and continued to fend for the well-being of their families,” said Moffat Mtonga, project manager.



12,243 smallholder farmers used improved agricultural technology.

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

8,640 people accessed financial services.

Life-of-program target: 15,000 **58%**

7,303 farmers accessed markets.

Life-of-program target: 15,000 **49%**

Accomplishments in FY20:

- At least 350 farmers from Mwamba and Mpiika collectively raised \$7,500 on their own and bought onion seeds in bulk for the first time. The bulk purchase saved 24% of the usual cost. They reinvested most of their savings into their businesses.
- 9,200 participating farmers are

projected to harvest 15,678 tons of corn, 4,543 tons of soybeans, 2,980 tons of peanuts, and 720 tons of beans. That would be a 61% increase in corn, with the other three crop yields at least doubling.

- 10,637 people (71% of the project target) have been trained so far on the Empowered Worldview model,

including 324 during this reporting period.

- 45 new Savings for Transformation groups were launched during this reporting period, raising the running total to 589 groups—for a total of 74% or more for both FY20 and life-of-project targets, respectively.

Project-to-Date Spending

\$6,432,065 spent **61%**



COVID-19 AND ECONOMIC EMPOWERMENT

The COVID-19 crisis is impacting every country where World Vision operates, including Honduras, Malawi, Rwanda, Tanzania, and Zambia, and especially rural and poorly resourced communities that are highly vulnerable to economic and social shocks.

Since the very beginning of the outbreak, World Vision has leveraged our 70-year history of emergency response to help children and families by scaling up prevention and relief efforts across the globe.

Our staff is collaborating with local partners and training faith leaders so they can quickly reach families with tools to prevent coronavirus infections. We are helping set up public hand-washing stations. We are supporting health systems and health workers with personal protective equipment, treatment supplies, and clean water.

Equally important, World Vision is combating secondary impacts of the COVID-19 pandemic that are putting millions of children at risk—

from heightened food insecurity, to shuttered schools, to increased violence or neglect.

In the communities we serve, economic empowerment activities such as providing access to loan capital for savings groups and business owners through tailored microfinance products are crucial to helping children and their families not only survive this pandemic, but emerge resilient, with durable hope for the future.

While disruptions and necessary restrictions related to the spread of COVID-19 will delay aspects of our work, we remain committed to working at the household and community levels to help build sustainable livelihoods and resilience to shocks and stresses.

Thank you for partnering with World Vision and responding to God's call to care for our neighbors, near and far. We are truly grateful for your choice to stand with us as we face this unprecedented challenge.

THERE'S POWER IN NUMBERS FOR FARMERS

A decision to switch to the concept of bulking paid dividends to a corn farmer. Combining his harvest with other farmers brought higher prices and profits. Now he is passing on his knowledge to others.

Sometimes it literally pays to be patient.

Robert Mbewe, a lead farmer in the Zambia THRIVE project, and his wife, Margaret, learned that following the 2019 corn season.

Margret sold her crop in August after the harvest. But Robert wanted to try another strategy.

"I will keep my corn and sell in January and February when prices are better," said the father of four children and grandfather of two more.

As a member of a commercial producer group, Robert was able to combine his harvest with those of other farmers, enabling them to command better group prices.

Through this concept, called bulking, his crop sold for 20 cents per pound, triple the price that Margret had

received. Even though Robert sold 40% fewer bags of corn than Margret, he still more than doubled her income.

He also bulked part of his sunflower seed crop, selling it in 2020 for nearly twice the price he had gotten in August 2019.

Robert is able to feed his family and pay his grandchildren's school fees. In addition, his increased income enabled him to pay cash for a motorcycle worth \$600.

He is eager to try bulking peanuts and soybeans next and has taught his fellow farmers about the post-harvest handling of crops. He also raises a herd of 28 goats, which he also will bulk when he sells some of them.

"Rodrick really inspires us in this village by the way he lives and keeps his animals," said Moses Banda, another farmer.



Above: Robert (center) and his wife, Margret, stand with their four children and some of their goats. Right: With his increased profits, Robert bought a motorcycle.



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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