



World Vision®



ECONOMIC  
EMPOWERMENT

# GLOBAL WOMEN'S EMPOWERMENT FUND

» ANNUAL REPORT: October 2018 through September 2019

*Prepared January 2020*

# ECONOMIC EMPOWERMENT

## VISIONFUND GLOBAL UPDATE THROUGH SEPTEMBER

**1.1 MILLION CLIENTS** provided with microloans by leveraging nearly \$148 million in equity to support \$694 million in loans disbursed.

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

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

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

## PROGRAM OVERVIEW

Women in developing countries, especially those living in rural areas, often encounter gender-specific obstacles to economic mobility—such as lack of access to financial services and imbalances in family caregiving—that prevent them and their communities from flourishing.

The Women's Empowerment Fund (WEF) aims to build the resilience of women and their families, improve gender equality, and support the development of livelihoods by providing vulnerable women increased access to high quality financial services and education.

The fund is facilitated by VisionFund, World Vision's microfinance network.

The first phase of this two-phase project focused on growing loan

capital for women entrepreneurs to invest in small businesses and farms. Phase two launched in FY19 with the goal of strengthening services to women by linking them to savings groups, offering insurance products specifically for women, and expanding women's financial training.

Recent research measuring the holistic impact of microloans through VisionFund Armenia found that a single loan frequently creates a raft of additional benefits for women and their children in the form of better nutrition, health, housing, access to education—even family cohesion and spiritual well-being. In a March survey conducted by VisionFund Myanmar, 99% of respondents likewise reported



*Microfinance loans enabled Chalani Iresha to start a business as a vegetable grower. Now she employs five women from her village in northwest Sri Lanka.*

that receiving a loan provided at least one benefit to their children, while 73% reported three or more benefits.

Thank you for your commitment to empowering women, and to helping create brighter futures for their families and wider communities.

# 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

## ANNUAL HIGHLIGHTS

*Improved products and relationships focus on the needs of women*

In FY19, the Women's Empowerment Fund provided loan capital and expanded service areas in Armenia, Honduras, Malawi, Myanmar, Sri Lanka, and Uganda.

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

Following are accomplishments from this reporting period:

### **Armenia**

Honored with the 2018 Agent of Change Award from the European Bank for Reconstruction and Development, World Vision's microfinance initiative in Armenia—SEF International (SEF)—continues to empower women in rural communities, including villages exposed to armed conflict and climate shocks.

A loyalty program begun early in FY19 positioned SEF to offer women clients with good repayment histories lower loan rates compared to similar products on the market, and to do so without extra documentation or collateral. As a result, more women have been encouraged to invest in their businesses or improve their families' living conditions at home.

FY19 also saw the rollout of a digital financial services platform that brings suppliers and consumers together in an online marketplace. The platform, called ZEPPA, includes a family financial management tool that helps women business owners and those managing households develop financial goals, buy and sell items, and prepare for economic shocks—leading to greater household resilience.

A primary goal of the ZEPPA platform is to support women's capacity to make decisions for themselves and their families.

Additional highlights:

- ZEPPA was piloted in four MFI branches, where SEF staff and 124 women from local communities were trained on its use. By the end of FY20, ZEPPA registered clients are expected to reach 15,000, with 4,300 businesses active in the digital marketplace.
- An analysis of the WEF portfolio revealed that clients' involvement in supply chain networks created indirect benefits for 651 women and 398 children in addition to the 156 women and 468 children directly impacted by WEF loans.

### **Honduras**

VisionFund Honduras (VFH) designed a loan offer for women called "Palabra de Mujer" (Women's Word), with a special focus on single mothers living in rural areas.

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## ANNUAL HIGHLIGHTS (CONTINUED)

Loans range from \$25-\$650, and clients receive financial education as part of the funding package.

New access to credit has allowed women entrepreneurs in Honduras to accelerate business productivity and increase the quality of their goods. In turn, additional income has enabled many women to provide better futures for their children by investing in nutrition, education, and healthcare.

In FY19, a total of \$122,079 in loans was disbursed to 108 women, each of whom have dependent children.

To emphasize the importance of empowering women in local communities, VFH will organize awareness-raising campaigns in FY20 that include the success stories of women clients. VFH also plans to open a new branch in the Olancho region.

### Malawi

WEF allowed the Mzimba and Jenda branches of VisionFund Malawi (VFM) to increase outreach to women in rural areas during FY19. This contributed to an increase in women clients served by VFM from 61% to 66% between March and September.

VFM also piloted new Savings Group Linkage Loans, providing 19 groups and 331 total clients—75% of them women—capital for improving their livelihoods. Loans ranged from \$340-\$1,000 per group.

Additional highlights:

- VFM hired 14 female loan officers to serve a growing female clientele, and procured smaller motorbikes to ease their travel to rural areas.
- 6,194 (85.5%) of client registrations were completed using new mobile banking tablets.

### Myanmar

“Our ultimate goal,” says Mai Mya Mya Win, Chief of Finance for VisionFund Myanmar (VFM), “is that low-income families can afford to pay school fees for their children, [and] provide [them with] nutritious food and healthy living conditions . . . Thus our plan is to reach out to more women.”

VFM now operates in 53 branches, covering key urban and rural areas in 12 states and 55 townships. As of September 2019, 190,000 clients—86% of them women—had accessed a total of \$50,954,729 in loans.

A mobile banking system, Musoni, was launched in July, allowing loan officers to use tablets and texting to better serve clients. A call center also was established, and client satisfaction surveys were piloted with former loan recipients.

Additional highlights:

- 8,891 jobs were created between April and September 2019.
- By the end of FY20, VFM aims to have 250,000 active clients, with 60% living in rural areas.

### Sri Lanka

In November, VisionFund Lanka (VFL) conducted a training for women engaged in various stages of business development, with sessions covering entrepreneurial skills and business planning, as well as topics related to women’s health, child protection, and parental care. A leadership program also was created for 33 current WEF clients and other enterprising women.

Plans in FY20 include:

- Offering additional business trainings, using materials created by the International Labor Organization.



WEF clients in Sri Lanka gathered to receive training in business development, women’s health issues, and promoting children’s well-being.

- Holding a trade fair for WEF clients.
- Creating a reward program for clients’ children who excel in school.

### Uganda

Following the opening of a new branch in Moyo, VisionFund Uganda (VFU) began recruiting credit officers earlier than expected due to heightened interest from business groups and refugee communities in accessing microloans.

VFU used an “embedded education” model that combined short messages, photos, and stories to train 161 women and 92 men in basic financial literacy. Participants included village agents, community groups, and residents of the Palorinya refugee settlement. VFU also purchased smaller motorbikes for women field officers, enabling them to more conveniently visit clients in hard-to-reach communities.

In the coming months, VFU plans to equip other nonprofit agencies to replicate the embedded education financial literacy training with their own clients, and will use the training to prepare savings groups interested in receiving new loans.



*I want to thank VFM. With this development in our family livelihood, I do not have to worry about my children's education."*

*—Daw San San Oo*

## LOAN RATES HELP FAMILY THRIVE

*Vegetable farmer Daw San San Oo (standing above) could barely turn a profit after borrowing from a local lender at a very high interest rate. Then a loan from VisionFund Myanmar helped accelerate her business and safeguard her children's education.*

Daw San San Oo, 38, and her husband U Aung Naing Soe, 40, live in Nat Lu Hteik Pan Ward in the Monywa Township.

The couple owns three acres on which they farm various vegetables, including lady fingers, tomatoes, roselle, and Chinese kale. They sell their produce at a nearby market to support their family, and especially to fund the education of their three children: son Myo Thura Kyaw, 18, a second year university student, and daughters Myo Theint Theint, 14, a ninth grader, and Han Myo Su, 4, who has begun primary school.

The couple had seen increased demand for certain vegetables and wanted to expand their farm. Daw San San Oo initially borrowed money from a local lender, for which she was charged a very high interest rate. Under these circumstances, she was barely able to achieve a profit and didn't have much left over for the family.

Daw San San Oo was elated when she first heard about VisionFund Myanmar and the financial services it makes available at a much lower interest rate. When she was granted an agricultural loan of 400,000 Kyat (\$264), she used the capital to purchase seed, a spade, fertilizer, and pesticides. She was able to plant a greater variety of crops and grow her profit margin.

With her second loan of 700,000 Kyat (\$462), Daw San San Oo invested in a water pump to help increase her arable land and crop yield, taking her farm to the next level of production.

Daw San San Oo is grateful for the chance to expand her business. "I want to thank VFM," she says. "With this development in our family livelihood, I do not have to worry about my children's education. With a more stable income now, we are planning to buy more land and expand the farm."

# FINANCIAL SUMMARY

Project-to-date spending expressed as a percentage of project-to-date budget

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	\$ 3,480,248	\$ 4,483,300	78%
Fixed Assets	\$ -	\$ -	
Operating Costs	\$ 402,998	\$ 569,647	71%
<b>TOTAL</b>	<b>\$ 3,883,246</b>	<b>\$ 5,052,947</b>	<b>77%</b>

Fiscal year 2019 is from October 2018 through September 2019.



For more information, contact your World Vision representative.

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