

IMPACT

 A publication of Opportunity International

MARCH/APRIL 2005

Zambian microentrepreneur launches United Nations Year of Microcredit

The United Nations has declared 2005 the International Year of Microcredit, calling for the building of inclusive financial sectors and a strengthening of the often-untapped entrepreneurial spirit in developing communities worldwide.

ALICE JERE, 47, a Zambian chicken farmer, made history in November 2004 by opening the markets at the London Stock Exchange to mark the launch of the U.N. Year of Microcredit.

Alice is an Opportunity International client who bolstered her small poultry business in 2000 with a \$31 Trust Bank loan. After three Trust Bank loans, she moved to a solidarity group, where she paid off two loans totaling \$1,353 in under a year. She repaid her latest loan in November 2004. Prior to her first loan, her business was worth \$104; today it is



Alice Jere, Opportunity International client, raises children, orphans and livestock in Mufulira, Zambia (top), and helped launch the International Year of Microcredit at the London Stock Exchange (bottom).

worth nearly \$10,000.

Before her loans, Alice worked for a mining company. When she was laid off, she needed to help her husband, a mechanic, support the family. She started small by raising chickens, then expanded into raising cows. Today, she sells cooking oil and sugar wholesale as well. She is a role model to women in her village who are living in poverty.

In addition to raising their five children, Alice and her husband raised two AIDS orphans who have now completed school and are living independently. They have taken in two more AIDS orphans.

During this International Year of Microcredit, Alice would like to see, "more small-scale businesses emerging through microloans." ●



INSIDE



2 Bringing Hope to Uganda
Generous offerings of hope and dignity



4 Boost for Microfinance
New legislation helps the poor



5 Women's Opportunity Fund
Growth in loans to women

6 Governors Family Week
Bring your family to Honduras

What's next for tsunami victims?



Oppportunity International is rebuilding communities in India and Indonesia devastated by the December 26 earthquake and tsunamis. Our network of microloan clients and staff work with local community

continued on page 2

The vision of Opportunity International is to be serving 2 million clients a year by 2010



Achinese workers ride a tsunami-destroyed car that was pulled from one of the affected areas in Banda Aceh, Indonesia.

disaster units to distribute the emergency supplies provided by relief organizations. Once immediate relief work is accomplished, Opportunity will continue on the ground to help demolished communities and villages rebuild their economies through microloans and microbusinesses. More than any other measure, this rejuvenation of the local economy will lead to long-term recovery. Your support will help survivors rebuild their lives. For more information visit www.opportunity.org/tsunami. ●

Bringing hope to Uganda

BY DALE HANSON BOURKE, *Board of Directors, Opportunity International—U.S.*

NTUNGAMO, UGANDA—Generous Katagira is a young woman with a huge responsibility. As manager of the Ntungamo office of UGAFODE, Ltd., an Opportunity International program, she has four loan officers working for her and 649 clients receiving loans. Another 834 women and men are going through the orientation program that will qualify them for their first loan when funds are available.

Generous spends her days managing a portfolio of small loans made to poor people with little or no collateral. It is a situation most bank officers would find ludicrous. But to Generous and her colleagues, the results are nothing short of miraculous.

She takes me to a Trust Bank meeting in the small village of Ruhaama, where a group of 17 entrepreneurs are having their weekly meeting. The effectiveness of this lending program is high because the group commits together to repay the loans, even if one woman should default.

But defaults are rare. Instead, Trust Bank members form a community of support, encouragement and innovation. They buy materials from one another, share market stands, and trade labor for food or products.

In their weekly meetings they share their experiences, pay back loans and seek larger ones.

Women make up the majority of most groups.

In this Trust Bank, 12 women and five men have loans to fuel their craft, agriculture and sewing businesses. The leader is a regal woman in traditional dress who proudly tells the American visitors of the loans repaid and of future plans, of training received from their loan officer and of ways they have improved their businesses. She then points to some children sitting quietly in school uniforms.

“These are all orphans,” she explains. “Because of the loans and what we have earned from our businesses, the members of our Trust Bank are able to care for all these orphans, pay for their uniforms and hire a teacher for their schooling.”

Orphans are everywhere in Uganda, a visible reminder of the astronomical rate of AIDS deaths. Although the infection rate has dropped remarkably thanks to a countrywide effort, the number of orphans continues to grow. In this southwestern Ugandan village, the children supported by this group are only a small minority of the orphans roaming the streets. As their businesses grow, Trust Bank members plan to adopt more.

One little girl rises to sing. The interpreter cannot keep up with the lyrics, but we hear enough to break our hearts: “An orphan’s life is very hard. . . . We lose the people we love and we have no one to care for us. . . . We work hard but



Generous Katagira leaves Opportunity’s program office in Uganda, prepared for another busy day helping her clients succeed.



Singing and dancing: Trust Bank members in Uganda celebrate their success.

we never have enough to eat. . . . We're very glad when someone takes us in."

Generous, who has been efficiently taking notes during the meeting, has tears in her eyes. "It is not about money," she whispers to me. "It is about transformation."

Before we move on, Generous visits a goat farm and notes the progress, then stops to congratulate one woman on her beautifully crafted baskets. Generous was prophetically

named. Not only does she give out money to the poor, she also gives praise and dignity to those who have received little in their lives.

But Generous also points out the dirty children in the streets, some carrying babies, probably younger siblings: "We have much more work to do." ●

For more stories about our clients in Africa, please visit www.opportunity.org/Africanclients.

Help for typhoon victims

In late November and early December 2004, four typhoons devastated an area of the Philippines where Opportunity has 32,000 clients. Widespread flooding and landslides left around 800,000 people in need of help and more than 1,000 people dead or missing. In the village of Paltic, home to 96 clients, all of the homes were destroyed, one client drowned, and four clients' children are missing.

With four programs in the affected areas, Opportunity International staff quickly marshaled relief efforts, bringing food, clean water, clothes and blankets to families. They purchased these relief supplies from loan clients whose small businesses were not damaged. Thousands of Opportunity clients reported property damage, and 1,546 lost everything. Opportunity field staff developed a plan for helping clients rebuild their businesses and their lives. Recovery is now underway.

For more information about Opportunity's clients in Asia, please visit www.opportunity.org/Asianclients. ●

I'm cheered by a group called Opportunity International, a microeconomic venture that put more than 600,000 people around the world to work last year.... They give me tremendous hope, as do the people they provide with small business loans. Ninety-eight percent repay their loans, which inspires me.

—DR. MARTIN E. MARTY, *Professor Emeritus, University of Chicago*
Author and Time Magazine's Ecumenical Person of the Year.

Congress boosts microfinance for 2005

The Microenterprise Coalition, co-chaired by Opportunity International, hailed the December 2004 passage of a significant piece of legislation. The Microenterprise Results and Accountability Act of 2004 (H.R. 3818) will help microfinance organizations such as Opportunity provide more poor families access to the financial services they need to attain economic independence. The success of these programs has been acknowledged with an appropriation of \$200 million in fiscal year 2005.

For nearly a year, Congress has worked to ensure that the legislation reflects input from both microfinance practitioners and the United States Agency for International Development (USAID). The bill received an enthusiastic endorsement from both parties and unanimous support by the House and Senate. "The legislation reflects the vital contribution that USAID has made in providing global leadership in microfinance," says Susy Cheston, senior vice president of Opportunity International and co-chair of the Microfinance Coalition. The Women's Opportunity Fund of Opportunity

International—U.S. supported the advocacy work that moved this bill through Congress.

Senator Mike DeWine, the bill's primary sponsor in the Senate, saw the impact of microfinance firsthand when he visited Opportunity's program in Montenegro with a delegation of senators. "Microfinance is one of the great success stories of U.S. foreign aid," he says. "It is a prime example of how our foreign aid can work cost-effectively to give those in need a chance to work their way out of poverty."

Congressman Chris Smith, who sponsored the bill in the House of Representatives, introduced the microenterprise legislation by telling about an Opportunity client from Ghana and by describing a holistic vision of client transformation inspired by Opportunity International. Congressman Smith told the House of Representatives, "When we provide microloans for the developing world, we export the ideal that if you work hard and dream big, you can succeed."

In the past 14 years, USAID has provided approximately \$75 million to Opportunity International programs. ●

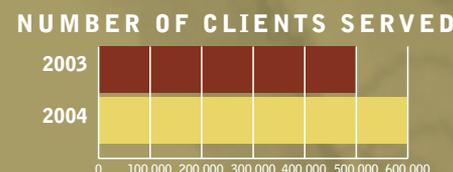


Jacquelin Hernandez, an Opportunity International Trust Bank member in the Dominican Republic, is using her small business loans to upgrade her beauty salon and diversify her business. She sells beauty products in her salon, and she also makes house calls to demonstrate and sell her products. Her most recent venture is painting placemats and frames, which she sells to her salon customers. "Opportunity gave me a hand and helped me up," she says.

Twenty percent surge in service

Over the last year, Opportunity International increased the number of clients served — from a half million in 2003 to more than 600,000 in 2004. Through programs in 27 countries, Opportunity loaned more than \$220 million, a \$60-million increase over 2003. Globally, Opportunity programs are operationally sustainable at 107 percent on average, and women comprise 87 percent of our client base. Opportunity clients continue to prove that poor entrepreneurs are creditworthy, with 98 percent of loans repaid.

On behalf of Opportunity clients, their families and our hardworking field staff, we are grateful to the visionary people who support the work of Opportunity International and give poor entrepreneurs the working chance they need to transform their lives. ●



WOMEN'S OPPORTUNITY FUND

For more information about the Women's Opportunity Fund, visit www.womensopportunityfund.org



Beth Houle
Director, Women's Opportunity Fund

Funding impact

The Women's Opportunity Fund of Opportunity International is a special

fund that targets funding to our Trust Bank group-lending programs.

In addition, it develops training to meet the special needs of women, fosters leadership development and funds cutting-edge research that advances financial services to poor women.

For more information about the Women's Opportunity Fund, visit www.womensopportunityfund.org.

Loans to women increase in Africa and Europe

Opportunity International programs in Eastern Europe continue to increase their percentage of women borrowers in the face of strong cultural gender bias. Albania made the greatest strides, increasing Trust Bank loans to women from 76 percent of total loan recipients in 2003 to 82 percent in 2004, and increasing individual loans to women from 16 percent of total loan amounts to 37 percent.

The Africa region, composed of programs in six countries, increased lending to women throughout the region and particularly in the individual loan program. This gives more women the opportunity to graduate from group lending to larger, personally guaranteed loans and helps them develop the tools they need to become strong leaders in their families and communities. The Philippines program, Opportunity's strongest regional lender to women, continued to provide more than 90 percent of its microloans to women.

Worldwide, Opportunity International programs made 87 percent of its loans to women in 2004. The goal of the Women's Opportunity Fund is to increase that to 91 percent. ●

New opportunities blossom

Women's Opportunity Fund supporters Lois Swanson and Anita Cummings creatively sold Christmas poinsettias to help establish an Opportunity International Trust Bank in Nicaragua. Lois, Anita and four other women of the St. Helena United Methodist Church in California raised \$15,000 through their poinsettia sale, plus donations inspired by the sale.

Thanks to caring women in California, 15 to 40 impoverished women in Nicaragua will bloom with hope and dignity as they work together in their new Trust Bank to establish businesses that will sustain their families. ●

Congressional bill passes

The Women's Opportunity Fund supports programs that advocate for gender equality and solutions for women living in extreme poverty. Last year, the Women's Fund helped move the Microenterprise Results and Accountability Act through Congress. (Complete story on page 4.) ●

Women's Opportunity Fund visits Mexico

On a Women's Opportunity Fund Insight Trip last year, participants met several enterprising Trust Bank clients in Mexico who demonstrated the impact of their Opportunity loans. One was Antonia Delgado Cortez, who sells breakfasts and mid-day lunches in an open-air market in Ixtlahuacan. She opened a food stand three years ago so she could send her four children to school. Last year, she joined a Trust Bank, hoping to buy a pot to prepare a popular local dish, *menudo*. Her \$200 loan helped her buy her pot, expand her business and increase her profits by 50 percent. With additional Opportunity loans, Antonia expects to purchase a refrigerator and more tables. ●



Antonia Delgado Cortez is an enterprising mother of four. She posted a sign in her restaurant expressing a truth she lives by: "Money is not life; but without money, you do not eat."

Of the 1.3 billion people in the world living in extreme poverty, 70 percent are estimated to be women *Consultative Group to Assist the Poor (the microfinance division of the World Bank)*

BOARD OF GOVERNORS

For more information about the Board of Governors, visit www.opportunity.org/BOG

A family focused on changing lives

Oppportunity International governors Carol and Barry Waitte know that access to capital is critical to business success — whether you are investing millions or just a few dollars. The couple worked in the technology field in the San Francisco Bay area for more than 20 years.

Carol and Barry were introduced to Opportunity in 2000 by Randy Haykin, an Opportunity governor and former colleague. Opportunity International met the criteria that they had established for their charitable giving: empowering women and children, changing lives, and breaking the cycle of poverty in the developing world. “We want to be intelligent givers,” Carol says, “and we were seeking a charity where our donations really give people a chance at a better life.”

The Waittes hosted a beautiful event at their Yountville home and vineyard to introduce the work of Opportunity International to other Bay Area philanthropists. They continue to be some of the Bay Area’s most faithful leaders and advocates for Opportunity’s work.

When they retired, the Waittes started a family foundation, which Carol manages. They include their 14-year-old daughter, Kendra, in



Carol Waitte, member of Opportunity International’s Board of Governors, and her husband, Barry, are committed to providing access to capital to families in the developing world.

their giving decisions. Kendra has been interested in helping poor families since she went on an Opportunity Insight Trip to Peru four years ago. Although she was initially reluctant to travel to the developing world, she had a wonderful experience and is anxious to take another Insight Trip and bring a friend.

While Carol and Barry’s generosity has transformed thousands of lives overseas, Carol says that Opportunity has enriched her life in ways she had not expected. She has grown to know and appreciate the concern and professionalism of the staff, both internationally and locally. “They are amazing people,” she says, “who have decided to dedicate their lives to helping people out of poverty.” ●

Governors Family Week planned for June

Bring your family and join us for a fully escorted week filled with learning, sharing and adventure in Honduras, June 20-26, 2005. Opportunity International and our program in Honduras are hosting this journey for governors who want to connect with our work and a different culture at a deeper level. We will visit Trust Banks, Opportunity clients and a primary school — becoming better acquainted with the challenges and opportunities facing poor families. Optional activities include jungle hikes, white-water rafting and shopping in local markets. This trip is ideal for parents, grandparents, and children 12 and older. For more information, please contact Wendy Cox at wcox@opportunity.org. ●



On an Insight Trip to the Dominican Republic, Opportunity International governors Chris and Bonnie Gleeson visit Opportunity Trust Bank client Delores Castillo at her business.

BOARD OF GOVERNORS 2005 CALENDAR

Governors Family Week in Honduras

June 20–26

Uganda Insight Trip

September 16–25

Governors Annual Meeting in Chicago

October 21–23



OPPORTUNITY INTERNATIONAL
Giving the poor a working chance

IMPACT is a bimonthly publication of Opportunity International, 2122 York Road, Suite 340, Oak Brook, IL 60523
800.793.9455 www.opportunity.org

EDITORS Laura Reilly and Carol Stigger

DESIGN & PRODUCTION
Journey Group, Inc.

THE OPPORTUNITY MISSION is to provide opportunities for people in chronic poverty to transform their lives.

OUR STRATEGY is to create jobs, stimulate small businesses and strengthen communities among the poor.

OUR METHOD is to work through indigenous partner organizations that provide small business loans, training and counsel.

OPPORTUNITY INTERNATIONAL’S COMMITMENT is motivated by Jesus Christ’s call to serve the poor.

STATEMENT OF INTENT REGARDING POVERTY AND WOMEN

Opportunity International—U.S. strives to reach the world’s poorest people through its microenterprise development programs. Recognizing that the large majority of the world’s poorest are women and that they contribute decisively to the well-being of their families, Opportunity makes it a priority to support programs that serve the particular needs of women.

OPPORTUNITY INTERNATIONAL HAS PARTNERS in Albania, Bulgaria, China, Colombia, Croatia, Dominican Republic, East Timor, Egypt, Ghana, Honduras, India, Indonesia, Macedonia, Malawi, Mexico, Montenegro, Mozambique, Nicaragua, Peru, Philippines, Poland, Romania, Russia, Serbia, Uganda, Zambia and Zimbabwe.

© 2005 by Opportunity International