



MAKING A WAY OUT OF POVERTY

AFRICA REGION SPRING REPORT 2022

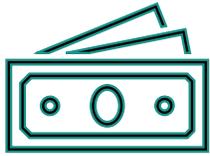
Opportunity International is committed to focusing our efforts on hot spots of extreme poverty – eight of these focus countries are within Africa. These are places where lack of access to job opportunities, markets, and essential services, like schools or clean water, are inhibiting families and communities to create sustainable livelihoods and send their children to school. The continent was also significantly impacted by COVID-19, from a combination of lengthy school closures, agricultural material price spikes, and severe reductions in business operating hours. Despite these challenges and significant needs, there is reason for great hope.

Waymaker, we are thankful to you for giving a hand up to families living in poverty by bringing innovative financial tools, training, and support. You are delivering hope by helping us reach the most marginalized, most difficult to reach, like those in rural Uganda, pictured above, so they can end generational poverty once and for all.

AGRICULTURE FINANCE IS INCREASING YIELDS AND INCREASING INCOMES

African smallholder farmers produce only 20-30% of their potential yield, leaving a significant need and opportunity. Opportunity's Agriculture Finance program has grown significantly since launching in 2009, driving increases in both the flow of capital into agriculture as well as the quality of agriculture. The result is a measurable increase in income and employment across the continent.

From 2020 to 2021, the number of farmer households reached grew by from 70,000 to 225,000! The loan portfolio achieved gender parity, with an equal number of women and men accessing financing for their farms and businesses—very significant in a sector where women’s contributions are often overlooked.



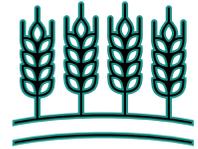
\$47M Loan
Capital Released



90,279 Farmers
Supported by FSAs



49,620 Farmer
Loans Disbursed



829 Active Farmer
Support Agents (FSAs)



Anna is a lead farmer support agent in Thawale, Malawi, where she supports approximately 85 peer farmers. She provides them with training in good agricultural practices to help them grow their farms and incomes. She was selected for this role based on her recent success on her own farm. Two years ago, she harvested three bags of groundnuts. With an Opportunity loan to buy more supplies and by applying skills she learned through our videos and trainings, she harvested nine bags last year. The additional income was enough to buy a motorbike.



Ghanaian farmer-clients increased incomes and grew jobs

In June 2020, the Knowledge Management and AgFinance teams surveyed farmer clients in Ghana, customers of Opportunity International Savings and Loans (OISL), to gauge impact and capture client feedback to improve services. The survey is a baseline against which results of upcoming program improvements will be measured, but some data reflect positive results of OISL’s current AgFinance work:

- Larger loans were shown to produce higher yields
- Increased yields were associated with increased family well-being
- 57% of clients increased yields in the last year, by an average of 29% (net); and 19% increased yields by 30% or more
- 64% increased farm income, with 57% attributing the increase to Opportunity loans and 47% to good agricultural practices, a key topic of AgFinance training
- 58% increased household income last year, 58% improved their diets, and 77% reported that loans had an overall positive effect on savings
- Loan clients employed an average of nine mostly seasonal workers

UNSTOPPABLE WOMEN

In partnership with UPS Foundation, we are identifying barriers women face to run successful businesses and establishing tailored loan products. Opportunity is assessing ways we can address training, financial, and other needs through the program. The program is a key means for unleashing capital and strengthening the credit-ready pipeline of growth-oriented women-owned micro and small businesses.

Since our last report, we've **distributed a total of 1,635 loans to women for growing businesses in Uganda**, established partnerships and loan products in Colombia and Ghana, and **distributed our first 20 loans in Colombia** under this project, for a total of 2,711 loans disbursed to date.

The growth in Uganda has primarily benefitted women rebuilding their businesses in the midst of pandemic-related lockdowns. In the last quarter alone, Opportunity Uganda recruited 31 new Trust Groups, with an average of about 15 women in each group. We are now exploring integrating climate smart agricultural practices into women farmers' businesses to overcome climate shocks and increase productivity and yields. Given the growth and achievements of the program, it has appropriately been renamed to "Unstoppable Women."



Nakiryowa Prossy is the proud owner of a growing hardware business in Wakiso, a town a little north of Uganda's capital city of Kampala. She started her business in 2018. She accessed her first loan from Opportunity Bank of Uganda in 2020 and a second loan in 2021 through the UPS partnership program. "The program has helped me to grow my business. Because of the low interest rate, I was able to set up four more shops throughout town. I now employ four people. The loans have not only helped me grow, but have also helped others to earn a living through me. I am grateful."

ACCELERATING ECONOMIC OPPORTUNITIES

Opportunity is focusing attention on areas with high levels of extreme poverty but also significant opportunity for building thriving communities. By bringing the right mix of our high-impact programs—Education Finance, microbusiness support and training, and Agriculture Finance—we aim to accelerate the pace at which families and communities can escape extreme poverty in these targeted areas.

Here are a few spotlights:

Gemena, Democratic Republic of Congo

- Opportunity is partnering with VisionFund to launch a significant Agriculture Finance program in Gemena, including hiring and training new field officers, signing an agreement with the local bank in preparation for new lending, and laying the groundwork for scale up of the Farmer Support Agent network in 2022, with a focus on smallholder farmers and small agribusinesses.

Mityana, Uganda

- To support youth in launching businesses and creating jobs, **6,000 youth have been reached** with business skills workshops and financial literacy training, and 868 youth savings accounts have been opened. Follow up with participants shows that 88% have launched businesses.
- A new intensive Farming as a Family Business pilot train-the-trainers session was held with Farmer Support Agents (FSAs) in Mityana. The goal of this training is to increase awareness by the lead farmers and their partners of existing gender norms within their communities, and the impact that these norms have on household dynamics. FSAs are in the process of cascading this training down to the nearly 9,000 engaged coffee farmers in Mityana.

INCREASING ACCESS TO DIGITAL FINANCIAL SERVICES

Opportunity International's Digital Financial Services team partners with financial institutions to blend high-tech solutions with high-touch approaches to reach more women and other marginalized groups.

The busy restaurant in Ghana where Diana works connected to Opportunity's mobile payment system, and Diana began using her mobile phone to receive payments from customers. "Many people pay their bills through mobile money. This helps me a lot because I am able to confirm cash receipts in the presence of the customer."

She's also thankful to not have to carry large sums of money to the bank and to have access to money at any hour, without having to find childcare for her children to get to a bank branch.



Opportunity's partner bank in Ghana, Sinapi Aba Savings and Loan, helped Diana to learn how to use her mobile phone through digital videos.

"I save through my mobile money account. I save every day because mobile banking has made it possible. I hope to save to continue providing for my children. I sometimes send money from my Sinapi account to my phone to pay my church tithe or to support family members. I do not think I can patronize a bank which does not offer online banking options."

Lending Hope in Nakivale Refugee Settlement



Opportunity Bank of Uganda opened a bank branch in the heart of the Nakivale Refugee Settlement in October. As the only bank and ATM in the settlement, it serves as a physical base for customers and a central hub for the provision of digital financial services, including lending and financial literacy training. Biometric point-of-sale machines enable customers to use fingerprints to carry out financial transactions – providing an additional layer of protection over PINs or cards.

The branch was built in partnership with the Wakati Foundation, a refugee-led organization based in Nakivale, who employed 32 refugees (12 of whom were women) from Nakivale Settlement to support its construction.

Outcomes	Total as of Dec 2021
Financial literacy training	4,251
Bank accounts opened	1,691 refugees; 271 host community; 205 groups
Loans disbursed	388
Jobs created through loans	540
Bank staff positions created	19 – 10 of whom are refugees

Training and roll-out of Holistic Development Program

In September, 18 master trainers from partner institutions in Ghana, Malawi, and Uganda met in-person for a Training of Trainers session in Ghana. The training was part of preparing the master trainers to launch pilot Holistic Development Trainings to reach a total of 8,000 people in 2022.

The holistic development training empowers clients to proactively change their lives, families, and communities through participatory assessment and training. Based on the concept of Shalom, the training facilitates an examination of client relationship with self, others, God, and the world around them. It then catalyzes planning and action to improve these relationships and overcome barriers that may be holding them back. Research has shown that those in extreme poverty require additional capacity building to overcome the complex web of challenges they face daily.

We are thankful to you, Waymaker, for building rungs to create a ladder for families to work their way out of poverty. Together, we are supporting the positive transformation of livelihoods and ecosystems.