 <p>The Community Foundation Serving Riverside and San Bernardino Counties</p>	<p align="center">S.L. Gimbel Foundation Fund Grant Evaluation Form</p>
<p>Grant Period:</p>	

Organization: Opportunity International

Contact Name: Tim Probasco

Title: Delivering Agriculture Finance Across five African Countries

Phone Number: 630-242-4214

Grant Period: 10/1/2012 to 9/30/2013

Award Amount: \$50,000

Grant Number: 2012754

**Describe the project's key outcomes and results based on your goals and objectives.
Provide the number of clients served and other relevant statistics.**

Amidst continuing economic and macroeconomic uncertainties which are adversely impacting sub-Saharan Africa, Opportunity International is systematically making progress against the targets for the Rural Outreach and Agriculture Finance Initiative. Please accept this report as a sign of our gratitude for your continued partnership of this initiative which aims to accomplish the following:

Project Goal: Through our Rural Outreach Program, Opportunity International seeks to alleviate hunger in **Ghana, Malawi, Mozambique, Rwanda and Uganda** by equipping small-scale farmers to harness the full potential of their crops, thus increasing production, alleviating hunger through increased food security for their families and communities.

- 1. Expand access to savings to 1.39 impoverished families, many in rural areas.** In each country, Opportunity will expand access to savings with a rural emphasis. Savings are critical for farming families who must smooth out cyclical incomes to support their families between harvests. **At March 31, 2013, the combined banks held 1.32 deposit accounts, tripling savings outreach since the program launch in 2009, and bringing them within striking distance of the 2013 year-end goal of 1.39 million. Of the total savings accounts, 566,416 were held by rural families, representing a 65% growth since 2010 and an achievement of 76% toward the 2013 year-end goal of 740,612.**
- 2. Expansion of financial service access points in Malawi, Ghana, Uganda, Mozambique and Rwanda, particularly in rural areas.** The banks will grow to a combined 447 service sites where clients can conveniently access financial services. **As of March 31, 2012, Opportunity is successfully increasing its outreach to rural and farmer families with 456 client access points across the five banks, representing a 44% increase since 2010 and exceeding the 2013 year-end target of 447.**
- 3. Roll out cutting-edge, comprehensive agricultural financial services, disbursing more than 94,000 loans to smallholder farmers by year-end 2013.** By March 31, 2013, Opportunity had already exceeded its 2013 year-end target to reach a project cumulative of 94,000 loans to farmers.

Figure 1: Key Outreach Milestones

Key Outreach Milestones	Planned 12/31/2012	Actual 12/31/2012	Planned 12/31/2013	Actual 03/31/2013	% of 2013 Target
Cumulative Ag Loans Disbursed	-	-	94,000	99,225	105%
# Active Rural Savings Accts	558,392	556,960	740,612	566,416	76%
# Active Savings Accounts	1,187,659	1,233,249	1,396,749	1,322,473	95%
# Access Points	391	365	447	456	102%
Develop Learning Materials	underway	ongoing	ongoing	completed	100%

Rural Outreach Targets

Opportunity banks continue to expand to rural areas in Africa providing access to financial services to more than 1.3 million unique clients in the five participating countries. As shown in the table above, Opportunity banks are currently on track to achieve the year-end 2013 targets.

Agricultural Financial Services

Opportunity's commitment to deliver financial services to un-served rural areas has been the motivating force behind significant progress in the mobilization of agricultural lending and rural savings. Since the start of the Agriculture Finance and Rural Expansion initiative in 2009 through March 31, 2013, Opportunity banks have disbursed 99,225 agriculture loans to farmers. Due to excellent repayment rates and the seasonality in agricultural lending, 28,431 of those loans remained active at the end of March 2013 - 9,826 of which were new loans you helped us make to farmers in the first quarter of 2013. As part of the strategy to increase productivity, yields and incomes for smallholder farmers, Opportunity is currently exploring new frontiers in agricultural lending, pioneering ways to help farmers access mechanization equipment.

Savings

Opportunity banks continue to achieve strong uptake in the acquisition of *rural* savings accounts - currently at 76% against the 2013 year-end target. With 95% of the year-end target for savings achieved at the end of March, 2013, Opportunity expects the financial institutions to exceed the 2013 year-end overall savings projections. As part of the commitment to be client-centric financial institutions, product development innovations remain a key focus at all Opportunity banks.

Access Points and Delivery

The banks continue to increase the number of access points available to clients through a combination of low-cost branch offices, mobile vans, ATMs, Point of Sale devices (POS) and agent networks, placing a particular emphasis on identifying branchless solutions to reach rural and remotely located impoverished families. With 456 access points at the end of March 31st, the banks have already exceeded the final access point target of 447 for 2013.

What were the challenges and obstacles you encountered (if any) in attaining your goals & objectives? How did you overcome and/or address the challenges and obstacles? What were the lessons learned?

1) Expand access to savings, particularly in rural areas.

While we have already reached 76% of our target to provide active savings accounts to rural clients, Opportunity banks in each of the five involved countries have found that account dormancy is a

challenge. In response, we are working with entrepreneurs who hold accounts valuing \$1 or less that are inactive for more than 24 months with a number of products aimed at encouraging them to save. For example, each of the five countries is launching EduSave, an insurance benefit that provides insurance to cover their children's school fees directly linked to their savings. We believe product innovations like EduSave, and Opportunity Malawi's current life insurance product, will result in effectively incentivize savings and result in fewer dormant and closed accounts.

2) Expansion of financial services access points in Malawi, Ghana, Uganda, Mozambique and Rwanda, particularly in rural areas.

While we have successfully reached our year-end target for expanding access points to rural areas there have been challenges with this objective. Mobile van banking has proven to be effective at bringing the bank to the doorstep of the rural and remotely located poor, but soaring gas and maintenance prices as well as gas shortages have become cost prohibitive. To overcome this challenge, we are investing in smaller 4x4 vehicles that cost less to operate and maintain.

Describe any unintended positive outcomes as a result of the efforts supported by this grant.

Secondary outcomes include:

1. Most farmers **experienced an increase in yield and production** with productivity, for example: coffee in Uganda and maize in Ghana increasing by 98% and 34% respectively.
2. Farmers **connected to more reliable and less exploitative marketing channels** with greater transparency of pricing and sale of produce by weight rather than bag.
3. Opportunity farmers were able to **purchase household assets, livestock and commercial properties, and invest in non-agricultural income-generating activities** such as transportation, petty trade, produce buying, livestock rearing, and salt mining to spread out their cash flow and diversify their risk.
4. Client households **improved on % child school attendance** which was at high 80s for the Opportunity farmer group and moved into the 90+ range. **Days missed due to lack of fees dropped** from about 4 days to 2.5 on average.
5. A greater percentage of Opportunity farmer households reported **improved access to health care** and greater ability to meet health care expenses.
6. Opportunity client households **increased land for production** through either purchase or rental and created jobs by hiring additional agricultural labor during times of critical labor constraint more than control households.

Describe the overall effect this grant has had on your organization.

Figure 2: S.L. Foundation Deliverables

S.L. Gimbel Foundation Deliverables	
Deliverable	Amount
Agricultural Loans Disbursed	190
Average Loan Amount	\$263
Additional Clients Reached	798
Additional Children Reached	598

Opportunity banks in Ghana, Malawi, Mozambique, Rwanda, and Uganda **have provided financial services to 1.2 million new clients (unique clients) since the beginning of the *Financing Rural Communities* project** with S.L. Gimbel Foundation and other partner organizations. As seen in Figure 2 above, with your generous support of \$50,000, Opportunity banks had the

resources to **provide 190 loans (based on a \$263 average loan amount) to farmers** across five countries, including savings, insurance, training and support. These loans do not simply affect the borrower; their impact spreads further, providing additional income for school fees for children, money for medicine and health care and supplementary capital to further invest in agriculture. This ripple effect transformed the lives of approximately **798 additional individuals, of whom at least 75% (598) are children**. The following section will illustrate how your organization's generosity contributed to the personal and economic transformation of some of our individual clients. We are so grateful for your partnership.

Tell us a few success stories that made an impact on your organization and/or community as a result of this grant.

Meet Afsa Mukalisa. *For 13 years, Afsa has served as the leader of her Opportunity Rwanda Trust Group located outside Kigali, Rwanda, where she lives with her husband and five children. Afsa, who once struggled to make ends meet selling sugar, rice and flour, now operates a thriving business selling colorful fabric used to craft women's clothing. Additionally, she built and currently rents two houses, and she is building a small shop to sell her fabrics.*

*"Before Opportunity Rwanda came," she said, "most women I know sold their wares by walking up and down the street. They did not own anything - they eked out enough to survive - one day at a time. Some days were not so good. The difference between a good and a bad day was simply whether or not your family had enough to eat. Today, many of us who have become Opportunity clients have much to show for our hard work. Some of us have built homes; others have purchased a motorbike or car. All of us have invested substantially into our families. **Opportunity Rwanda is a ladder that raises you from one place to another - the place I am today is much better!**"*



Most significantly for Afsa, Opportunity Rwanda has helped her instill leadership skills among women, who are traditionally underappreciated. She strives to empower women as they learn the importance of discipline and handling money in ways that build trustworthiness and integrity. "It pleases me to know that people trust my guidance. Whenever I am chosen to lead, I am prepared because I feel confident." According to Afsa, "Opportunity Rwanda teaches Trust Groups how to increase their income, live well in the community, care for their families and serve others. Learning these skills has not only helped me bring my business to profitability, but also improves my ability to partner with other women and community leaders.

Meet Joseph Mulandya. As of March 31, 2013, Opportunity Uganda has mapped and profiled the farms of 1,781 agriculture clients like Joseph Mulandya. During this reporting period, the bank introduced a mapping and profiling application using smartphones and given the positive results achieved to date, the bank will continue to develop and utilize the smart phone mapping program. The use of cell phones had resulted in increased efficiency for the bank while helping farmers understand exactly what their needs are in accordance with the size of their plot as well as family attributes. Armed with new, detailed information about the exact amount of inputs to order and what types of crops will grow well on their land, farmers can adopt their newly learned modern farming practices and achieve immediate, dramatic improvements.

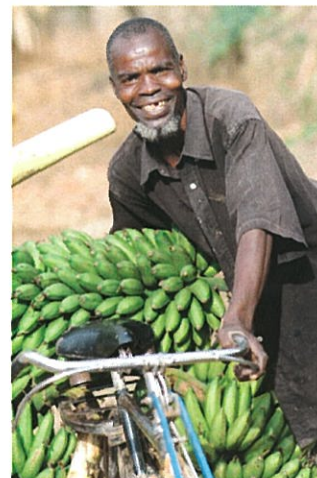


For his whole life, Joseph Mulandya (far right) had lived the hand-to-mouth lifestyle typical of small-holder farmers throughout Africa. With irregular income and no protection from environmental factors, Joseph and his family could only work hard and hope that favorable weather and a good harvest would provide enough for their basic necessities.

However, that changed when Joseph increased the quality and quantity of his harvest through Opportunity Uganda input loans helping him make plans for the future.

Through Opportunity's microloans, financial training and technical assistance, Joseph has improved his farming practices, increase his yield and even acquire more land. With a little help and a lot of hard work, he has moved beyond a subsistence lifestyle and improved quality of life for himself and his family. Joseph is now reaching his once unattainable dream of sending his children to a good school, and through education is giving his children opportunities that he never had.

Meet Said Busesire. Because you invested in us, we can continue to invest in people like Said Busesire. Every day he follows the same routine. Just after midnight he starts the 15 km journey to the nearest big town, pushing the plantains on his bike, trudging through the darkness along a difficult road. When he arrives in town he sells to hotels where he has earned a reputation for timeliness and honest pricing. At around 8a.m. he repeats the round-trip journey to bring a second load of bananas to sell in the market. When he finally returns home, Said works his land, harvesting his crop for the next day. At sunset his day comes to an end and he has a well-deserved sleep. Said credits his success to the training and friendships he has built with his Trust Group of five years. He used his early loans to purchase a plot of land which has grown over time to 1.5 acres, allowing him to keep up with his family's needs. Thanks to his success, Said was recently able to buy a roof for his home. His dream is to build a brick house for his family.



Provide a financial report on the use of your grant funds (expenditures).

The *Delivering Agriculture Finance Initiative across 5 African Countries* project invested \$10,000 into each program across sub-Saharan Africa. The financial report is illustrated below in Figure 2 for your review.

Figure 3: Financial Report – SL Gimbel Agriculture Project Grant (as of July 31, 2013)

Financial Report - SL Gimbel Agriculture Project Grant (as of July 31, 2013)

Delivering Agriculture Finance Initiative across 5 African Countries				
	2012-13 Budget	Received	Invested	Variance
Agriculture Staff Capacity Building and Training	\$2,750	\$2,750	\$2,750	\$0
Agriculture Loan Officer Salary and Costs to Implement Loans, Savings and Insurance Products and Services accompanied by Training	\$7,500	\$7,500	\$7,500	\$0
Loan Portfolio to Support Farmers with Capital for Inputs, Expansion and other Activities to Increase Harvest Quality/Quantity.	\$34,750	\$34,750	\$34,750	\$0
Opportunity-Administrative and Project Implementation support	\$5,000	\$5,000	\$5,000	\$0
Total	\$50,000	\$50,000	\$50,000	\$0

* Capital is divided equally among five African institution: Uganda, Ghana, Rwanda, Malawi and Mozambique

- ❖ Please send copies of publicity and other promotional materials.
- ❖ All variances or time extensions must be approved by The Community Foundation's Grant Committee. Please contact us at 951-684-4194, ext. 114 immediately if a variance or extension becomes necessary.

Please return the completed form to:

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3700 Sixth St., Suite 200, Riverside, CA 92501 or fax to 951-684-1911
Or email to: ccudiamat@thecommunityfoundation.net