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IMPACT

A publication of Opportunity International

Africa campaign gains momentum



Opportunity International is an expert organization in the field of microenterprise development and is working to implement an ambitious plan to combat the spread of AIDS in Africa through education, awareness, and by creating opportunities for those confronting HIV/AIDS.



— Congressman Henry Hyde, Chairman of the House International Relations Committee addressing the U.S. House of Representatives. Hyde introduced HIV/AIDS legislation that would become the backbone of the President's Emergency Plan for AIDS Relief.

AFRICAN PROVERB

Kud mbelawa a hada a hwad

[Mafa language]

The tears of the orphan run inside.

IN AFRICA, THERE ARE VILLAGES WHERE no adults live. Due to death from AIDS, children-headed households are increasing. Opportunity International's response to this crisis is to partner with Habitat for Humanity to provide microcredit and shelter programs to some of Africa's hardest hit countries.

Last April, the United States Agency for International Development (USAID) announced that Opportunity International is

one of five recipients of the first round of grants awarded as part of the President's Emergency Plan for AIDS Relief that was introduced in the 2003 State of the Union Address. Opportunity International is partnering with Habitat for Humanity to help orphans and vulnerable children in Mozambique, Uganda, and Zambia. With the \$5.1 million grant, Opportunity and Habitat will use a community-

based approach to provide microcredit and adequate, affordable shelter to families affected by AIDS, especially those headed by orphans or by adults who are caring for orphans. The program is expected to reach more than 52,000 orphans and vulnerable children, will cover 20,000 vulnerable families with death benefits insurance, and will provide HIV/AIDS education to 60,000 vulnerable families at risk of contracting the virus that causes AIDS.

This joint pilot program will also expand Opportunity's Youth Apprenticeship Program piloted in Ghana by an Opportunity partner that is now serving over 44,500 entrepreneurs with loans averaging \$142. The

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Ghana



Uganda



Women's Opportunity Fund

Campaign gains momentum

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Youth Apprenticeship Program provides business training, technical assistance, bereavement counseling, and start-up capital to AIDS orphans and vulnerable youth.

An Opportunity apprentice

“Opportunity’s Youth Apprenticeship Program has brought meaning to my life,” says 23-year-old Abena Achiaa. She is apprenticed to Opportunity loan client Osei Kuffour, who has a successful batik cloth-dyeing business in Ghana.

Abena is one of six children from an impoverished family. Abena’s mother, the sole support of her family, struggled to send her children to school. Although her mother did the best she could, Abena’s education ended in junior high school and she was left with no job skills.

By 22, Abena had a child to support and little hope she would ever rise above the daily fear that she would not be able to provide for her baby’s most basic needs. Her life changed when she was invited by Opportunity International to participate in its Youth Apprenticeship program in Ghana. After exploring her options in learning a trade, she chose the batik business. There are not many batik makers where she lives,

so she expects to have a good market for her product when she completes her apprenticeship.

Under Osei Kuffour’s guidance she has learned to create designs and combine colors and dyes. She is also learning customer service and marketing skills. In addition, through the required HIV/AIDS education component of the Youth Apprenticeship program, Abena is better prepared to protect herself from the virus that causes AIDS. “I thought that AIDS was a spiritual disease, a curse” she said. “Now I know better.”

After completing her apprenticeship, Abena will be eligible for Opportunity loans to launch her own business. She has chosen an occupation with little start-up costs and one that she can do while her child is napping or playing safely beside her.

Help for Mozambique

Opportunity International’s new program in Mozambique will open this year in Maputo, the capital city, and branch out to remote areas of the country. To reach poor entrepreneurs who live far from urban centers, each branch will have a mobile bank branch, which is an armored vehicle with a teller, driver, and guard.

Mozambique was chosen as the location of a new Opportunity program because of its high incidence of poverty and AIDS. Seventy percent of the population live below the national poverty line, and less than 20 percent has completed primary school. Life expectancy (at birth) has fallen to 31.3 years, and 1.1 million people are living with HIV/AIDS. The country reported nearly 100,000 AIDS-related deaths in the first half of 2004.



Through Opportunity’s Youth Apprenticeship Program, Abena Achiaa has received training and has learned new skills. She now works in the batik cloth-dyeing business.

Lending Hope



Women's Opportunity Fund

FUNDING IMPACT

Customer satisfaction

Most of our clients and potential clients in Malawi are excluded from commercial banks because their deposits are too small and also because they do not have official birth certificates. Obtaining this document is difficult and often too expensive for destitute families. To overcome this obstacle, Opportunity International Bank of Malawi (OIBM) is providing savings accounts with fingerprint identification. This new technology provides complete security for the account holder and identification without passwords, birth certificates, or ID cards. This is a huge step forward for the poor families we serve.

Two poor, but savvy entrepreneurial women traveled four hours by bus to make a deposit in OIBM. The next day they withdrew their money. OIBM staff returned their savings politely, quickly, and in full. Satisfied with the reliability and service of the bank, the women deposited their savings again and took the four-hour bus ride back home.

OIBM has 10,000 savings account holders, and the average balance is \$60. The bank has opened its lending program and has \$84,000 in loans outstanding to nearly 450 borrowers.

\$25 million for Africa

Opportunity's \$25 million Lending Hope to Africa Campaign will increase Opportunity's 2,500 Trust Banks in Africa to 10,000 within five years. By 2008, the initiative will have benefited 350,000 families, or 2.1 million adults and children. Today, Opportunity is working in Ghana, Malawi, Uganda, Zambia, and Zimbabwe. After launching a program in Mozambique, Opportunity anticipates expansion into other countries such as Ethiopia, Nigeria, and South Africa. ■



*Beth Houle, Director
Women's Opportunity Fund*

The Women's Opportunity Fund of Opportunity International–U.S. is a special fund that targets funding to Opportunity International Trust Bank group lending programs, training that meets the special needs of women, leadership development, and cutting-edge research that advances financial services to poor women.

The Women's Opportunity Fund Committee of the Opportunity International–U.S. Board of Directors directs the allocation of these funds.



During a Women's Opportunity Fund hosted Insight Trip to Mexico last June, travelers met Aurora Bautista Macias at an Esperanza (Hope) Trust Bank meeting. Aurora (pictured with her son) and the Trust Bank members attended a training session where they learned skills on how to build self-esteem in their own lives and also how to help their children, family members, and friends learn to develop self-esteem building skills.

to Africa

Measuring the impact of microfinance

THIS IS THE THIRD YEAR OF A Women's Opportunity Fund sponsored program to develop and test Opportunity International's Client Impact Monitoring System (CIMS) that will help our programs collect information on clients' poverty level, satisfaction with services, and the impact our programs have on their families. This knowledge is essential for customizing services to better meet the needs of the poor families we serve. CIMS also tracks gender advancement by comparing the relative efforts of our programs on women as compared to men clients. Thirty-two of our 39 overseas programs have been trained in the use of CIMS, and four programs have fully implemented the system.

Beth Houle, director, Women's Opportunity Fund, says, "Microfinance has become a key tool for the global community to use to eliminate family poverty. We need hard data to alert us to the weaknesses as well as the strengths of our programs. With CIMS, we are on a constant improvement path to deal with the myriad complexities poverty inflicts on families, particularly women and their children."

Meeting Women's Needs

Business, social, and leadership training are critical elements of Trust Bank lending programs that reach the poorest, particularly women. Therefore, the Women's Fund is funding a project to build lending programs that meet women's business, family, community, and spiritual needs. Research on Opportunity's lending practices has revealed numerous ways to strengthen Trust Banks with more effective training and leadership development programs. A recent survey conducted by this project uncovered a number of potential barriers to women's access to individual loans that are the next step up from Trust Bank

loans. Therefore, methods are being developed to build women's skills and confidence so they can overcome the challenges they face as their businesses grow.

The project team has also collected and organized 250 Trust Bank training modules developed by five of our programs. These 20 to 30 minute trainings have been organized by topic and will be translated and shared with all of our programs. Lessons developed in Nicaragua, for instance, will be available for Trust Bank trainings in Africa, Asia, and Eastern Europe.

Five training modules from three programs in Latin America were combined into a five-week training focus on time management that leads Trust Bank members to determine how they spend their time and how they can to lead more balanced lives. ■

"Impact assessment provides valuable feedback on the effect of different microfinance programs and services that are provided by microfinance organizations. Policymakers, microfinance institutions and the donor community can gain a better sense of the direction they need to take and how they should collaborate to reach a greater number of people through the design of better products and services, and the promotion and establishment of an environment conducive to the growth of the microfinance sector."

— Hyewon Jung, Associate Program Manager,
United Nations Capital Development Fund

Opportunity News Briefs

• United Nations announces International Year of Microcredit

November 18, 2004, is the launch date of the United Nation's International Year of Microcredit 2005. The secretariat of the Coordinating Committee for the Year is planning various events to celebrate the launch at the United Nations headquarters in New York. The Year of Microcredit is not only an opportunity to celebrate the potential of microcredit and microfinance as a powerful tool for poverty eradication, but also the social and economic empowerment of microfinance clients. To find out more about the conferences and activities planned for the International Year of Microcredit, please visit www.uncdf.org/english/microfinance/newsletter/index.html.

• Co-founder honored

David Bussau, co-founder of Opportunity International, made history as the first social entrepreneur to be inducted into the World Entrepreneur of the Year Academy. An Australian, David was honored along with representatives from 31 countries in Monte Carlo in May 2004. He was recognized for his role in forming the methodology of microenterprise development, for co-founding Opportunity International along with Al Whittaker, and for the enormous impact Opportunity International has had in empowering millions of entrepreneurs to break out of the poverty cycle.

"David Bussau is the ultimate entrepreneur. By providing the resources for others to become entrepreneurs, he has positively impacted millions of people and served as an inspiration to us all," said Brian Schwartz, CEO, Ernst & Young Australia.

• \$1 million goal reached

We reached our goal to raise \$1 million for the World Bank's CGAP (Consultative Group to Assist the Poor) Challenge Grant three months ahead of the June 30, 2004, deadline. Since May 2003, we have received donations ranging from \$50 to \$250,000. Opportunity International was awarded this \$1 million matching grant from CGAP to support our \$2 million advancing capacity initiative. This initiative will increase Opportunity's collective microfinance expertise and training throughout the world. The remaining \$850,000 by June 2004.

One couple transforms more than 100,000 lives

JUDY AND JIM BERGMAN from Laguna Beach, Calif., are a generous and energetic couple who have made dozens of trips to Opportunity International programs overseas. Jim, who has visited our program in Ghana ten times says, “I have never returned from these trips without feeling that I gained more than I contributed.” The Bergmans have also visited Opportunity programs in the Philippines, Indonesia, and India.

Upon visiting Opportunity clients, their impression was that there was nothing holding these people back except access to capital. Jim and Judy wanted to donate their time and talents to a program that impacts as many poor families as possible, and Opportunity was a perfect match. The talents the Bergman’s bring to Opportunity are considerable. Jim is semi-retired after a 35-year career in venture capital. Judy recently completed a master’s degree in theology at Fuller Theological Seminary in California.

Jim says, “We have listened to the stories of the people who have been helped through Opportunity, and we have witnessed true transformation. We have visited with women in Trust Banks, watched them grow into leadership positions within the

programs, and change their communities in meaningful ways.”

The Bergmans see the strength of the commitment of people who have no reserves and rely on God’s good will to get through each day. “They are faithful and happy and not focused on their possessions—they don’t have many,” says Judy. “They focus on things that really matter. They have a deep sense of appreciation for the help that we can provide.”

In 2000, Jim committed to using his business skills as a board member of Sinapi Aba Trust, Opportunity’s program in Ghana. In preparation, he took a three-week microfinance course in Boulder, Colo. Jim and Judy are now investors in the Opportunity bank.

The Bergmans set up a family foundation that supports Opportunity programs in several countries. They have helped to host and sponsor events in California to introduce their friends and colleagues to the needs of the poor and the work of Opportunity. Jim and Judy Bergman have contributed funds that have impacted more than 100,000 people. Their energy and enthusiasm continue to inspire others to share the vision of Opportunity International. ■

To learn more about the Opportunity International board of governors, please contact Wendy Cox, board of governors director, at wcox@opportunity.org or visit www.opportunity.org.

Members of Opportunity International’s board of governors, Judy and Jim Bergman have visited Opportunity programs in Africa, India, Indonesia, and the Philippines.



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.

Nanono Kigundu once struggled to provide for her family. In 2000, she joined an Opportunity Trust Bank. Today, Nanono is on her eighth loan and has expanded her business to include 10 sewing machines and 10 employees.

An enterprising woman

NANONO KIGUNDU IS THE chair of her Trust Bank in a village near Kampala, Uganda. She was widowed shortly after the birth of her third child and struggled to provide for her young family by making handcrafts and woven items. As the years passed, she managed to send her children to school, but could not send them on to college. The family lived in the home her husband had been building. But in the many years since his death, the floor remained packed dirt, the walls remained unplastered, and the house had no doors or windows. Her earnings were too slim to provide the slightest home improvement.

Nanono's responsibilities doubled when she took in three children from her family who were orphaned by AIDS. She had no idea how she would meet this additional responsibility, but knew the children would be left to fend for themselves if she did not open her home to them. At that point, when Nonono was most desperate, she learned about group-

lending through Opportunity International's Trust Bank program.

Eagerly, she joined a Trust Bank and in 2000, she received a loan for \$155. Because of her prompt repayments, she has received eight loans, the last one for \$619. She rapidly and steadily increased her business and now has 10 sewing machines and 10 employees crowded into two rooms of her house. She has installed doors and windows and plans to have a concrete floor by the end of this year.

Nanono is most excited about her children's academic advancement. All three are in college. She also is sending the orphans she adopted to school and has recently adopted a child from a family she describes as "helpless."

Nanono will tell you that she has never felt entirely "helpless," but she came quite close in the months before she received her first loan. ■

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