

THE MCKNIGHT FOUNDATION



**East Africa Women's Economic  
Empowerment Program, 1992 - 2013**

East Africa Women's Economic Empowerment Program, 1992-2013  
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Cover image: February 9, 2008 in Lushoto Tanzania.



710 South Second Street, Suite 400  
Minneapolis, MN 55401



420 Boylston Street  
Boston, MA 02116

This report was produced by The Philanthropic Initiative (TPI), a nonprofit consulting firm that helps corporations, foundations and families find innovative ways to maximize the impact of their philanthropy. Working around the globe, TPI partners with clients to plan, create, implement and evaluate customized philanthropic strategies and is also committed to promoting and advancing strategic philanthropy through cutting edge research, trainings and convenings.

## Preface

For twenty years The McKnight Foundation supported the economic and social empowerment of women in Tanzania, Uganda, and Zimbabwe. Holding the power of women to best facilitate positive change for their families and community at its core, the East Africa Women's Economic Empowerment program (EAP) originated with a focus on access to financial services in 1992. Over the years the program adapted to the changing needs of the people it sought to serve, eventually coming to focus on a variety of microenterprise and agricultural approaches to lift people out of poverty.

In November 2011, McKnight made the strategic decision to slowly end the funding of the EAP and move that funding into the Collaborative Crop Research Program (CCRP), a McKnight international grantmaking initiative active in the same region. This transition was completed in early 2014. From 1992 - 2013, the EAP invested more than \$20 million in the region and maintained a commitment to addressing local needs identified through local voices.

In 2013, the Foundation engaged The Philanthropic Initiative (TPI) to coordinate and develop a historic overview of The McKnight Foundation's East Africa Women's Economic Empowerment program. As part of this effort, the Foundation sought to capture the origins, evolution, and inflection points of their work over the life of the program. To develop this narrative TPI interviewed past and current board members, staff, and consultants who had been involved at various stages in the lifespan of the program; reviewed existing documents, reports, and meeting notes; and analyzed grantmaking patterns. TPI worked closely with Jonathan Otto, who served as a program consultant for the EAP from 1998 through 2013. Jonathan interviewed EAP grantees and developed their profiles, which appear throughout this report and provide the most important perspective on the lasting impact McKnight will have in the region.

The report that follows is intended to serve as part of the "institutional memory" of The McKnight Foundation's East Africa Women's Economic Empowerment program. Its heavy reliance on individual recollections may detract from its precision, but such reflections provide a vivid and inspiring understanding of the Foundation's compassion, commitment, and impact on the people and communities of Tanzania, Uganda, and Zimbabwe.



Lushoto, Tanzania/February 9, 2008

## Commonly Used Abbreviations

<b>AIDS</b>	Acquired Immune Deficiency Syndrome
<b>ARC</b>	American Refugee Committee
<b>ATI</b>	Appropriate Technology International
<b>EAP</b>	McKnight Foundation East Africa Women's Economic Empowerment program
<b>EARD-CI</b>	Enterprise and Rural Development Programs – Community Initiatives
<b>CCRP</b>	McKnight Foundation Collaborative Crop Research Program
<b>COVID</b>	Community Volunteer Initiative for Development
<b>FORA</b>	Friends of Rural Advancement
<b>FORMA</b>	Federation of Rwenzori Microfinance Associations
<b>GEP-TZ</b>	Global Education Partnership-Tanzania
<b>HIV</b>	Human Immunodeficiency Virus
<b>IDEAS</b>	Initiatives for Development and Equal Access to Services
<b>INGO</b>	International Nongovernmental Organization
<b>KRC</b>	Kabarole Research and Resource Centre
<b>LOI</b>	Letter of Inquiry
<b>MFA</b>	Microfinance Associations
<b>MOP</b>	Masaka Organic Producers
<b>MTC</b>	Montessori Training Center
<b>NGO</b>	Nongovernmental Organization
<b>OSP</b>	Orange Sweet Potato
<b>OVC</b>	AIDS orphans and vulnerable children
<b>TAHEA</b>	Tanzania Home Economics Association – Mwanza Branch
<b>TAWOVA</b>	Tanzania Women Volunteers Association
<b>UN</b>	United Nations
<b>VEDCO</b>	Volunteer Efforts for Development Concerns
<b>VICOBA</b>	Village Community Bank
<b>VSLA</b>	Village Savings and Loan Association

## Executive Summary

In 1990, the board of The McKnight Foundation knew that if they were going to develop a robust grantmaking program in Africa then it would need to be rooted in the Foundation's strength of listening to local voices and supporting local efforts. Therefore the only logical way to start was to travel to the region and directly engage with vulnerable and marginalized people to identify their needs. A 1992 trip to Tanzania, Uganda, and Zimbabwe would leave a lasting impression on those present and provide the insight needed to develop a program around the economic empowerment of women in those countries.

The EAP worked on a small scale in the early 1990s, driven largely by the personal interests and commitments of Patricia S. Binger and Cynthia Binger Boynton. McKnight grants focused on providing tangible benefits to women, mainly through access to microfinance organizations. Ahead of the international development curve, the Board had identified this strategy as the best way to achieve improvements in family and community health, education, and overall well-being. Grants were made mostly to USA-based organizations working with local partners in rural areas.

In the late 1990s, the board realized the local connections and inputs that were core to their approach could not be made from Minneapolis. Program consultants were hired to be the board's eyes and ears on the ground, and together they developed a broader set of goals, strategies, and outcomes. By 2002, the EAP funded mostly local organizations and had gradually shifted away from microfinance toward microenterprise and related agriculture projects. The number of grantee organizations expanded, and support included capacity building and leadership development. A pilot was also launched to support AIDS orphans and vulnerable children (OVC), whose plight had a dramatic effect on the opportunities available to the women who cared for them.

The program became increasingly strategic and added dedicated professional staff in the mid-2000s. Support expanded to include capacity building for growing local organizations and additional services for women that weaved their economic opportunities into community practice. An emphasis was placed on agriculture-based projects. Difficult decisions were also made. Grantmaking in Zimbabwe came to a close as a result of the country's economic collapse amid violence and uncertainty. The AIDS OVC pilot also began to wind down as the international response to this crisis scaled up.

When McKnight's new president joined the board on a trip to Africa in 2008, the landscape had shifted significantly since the 1992 trip. It was clear to participants that the EAP was doing a great deal of good in lots of little pieces. A new infrastructure of local organizations – many women-led – had developed in targeted communities, and the benefits to women were clearly having a positive impact on household well-being. Seeing these successes in person led to strategic questions around how the EAP could deepen its impact by shifting to the structural adjustments these new organizations wanted to tackle.

Over the EAP's 20 year history, the importance of gender and equity had been growing in other areas of the Foundation's work. In a related international sub-program area, McKnight's Collaborative Crop Research Program (CCRP) - funding agriculture research projects in South America and Africa, including overlap with the EAP countries – had grown in scale and impact, thanks in part to a 2008 supporting grant from the Gates Foundation. Bolstered by the values and intentions embodied within the EAP, it was time to shift resources to focus on amplifying CCRPs current and future gender efforts within the CCRP's groundbreaking research. The McKnight Foundation is now in a better position to more comprehensively address gender and equity through funding for agricultural research and development.



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## A Program's Birth: From Scholarships to Poverty Alleviation

In the late 1980s, the American Refugee Committee (ARC) encouraged and convinced James “Mac” Binger to visit a refugee camp in Malawi. Mac had previously traveled with the Minnesota-based organization to Thailand and Cambodia as The McKnight Foundation was building its Southeast Asia Program. When he visited Malawi the situation was dire. Violence had flared in neighboring Mozambique’s decade-old civil war. From September 1986 through 1988, the United Nations (UN) estimated that 1.2 million refugees fled from Mozambique to Malawi amidst a background of terrible violence coupled with a crippling drought and insect infestation. Malawi, a country the size of the State of Pennsylvania with a population numbering only 7.5 million at the time, quickly grew to have the highest ratio of refugees to local population in the world.

Over the previous decade, The McKnight Foundation had been making ad-hoc grants to USA-based organizations, working mainly in South Africa, funding educational scholarships and some health related projects. According to Noa Saryk, this work had stemmed from her grandfather William McKnight and his business. Even when combined with McKnight’s first grants in Southeast Asia, international giving was still at a nascent phase and in 1986 Virginia Binger reported that the board had not “yet defined and designed a helpful role for the Foundation in the international field.”

### “Where and how can a small amount of dollars have a real impact in such a large area like Africa?”

At a 1990 board meeting, while discussing Mac’s trip and an increasing number of funding requests originating from South Africa, the prospect of a more concentrated Africa strategy emerged. Carol Berde, Senior Program Officer of McKnight at the time, remembers the board recognized an overwhelming need for funds in Africa that was more pressing than scholarship support. Over the next year board members ruminated on this. Mike O’Keefe, then Executive Vice President, remembers the board framing their conversations around a simple question: “where and how can a small amount

of dollars have a real impact in such a large area like Africa?” He recalls the board being thirsty for knowledge, wanting to know what was going on where, if there was an opportunity, and whether McKnight could make a contribution.

To help provide context and navigate myriad considerations, the board enlisted the help of Howard K. Gray, an international development consultant and former Chief Executive of The Pathfinder Fund (now Pathfinder International). Howard raised awareness of the role and importance of family planning in country-specific contexts, piquing the interests of Cynthia (Cynn timer) and Pat Binger. Over the next year the board began to better understand the role of women and the reverberating power that they hold to impact household, community, and national advancement.

Noa joined the board during these conversations in 1991, and while a great deal had been learned, uncertainty still existed around whether to focus grantmaking efforts in Africa and, if so, where and how. Noa pressed the board to simply “go over there and figure it out.” This was no different than the way McKnight worked in Minneapolis. Pat explained that they wanted to mirror McKnight’s approach in the USA: “the Foundation’s usual approach is bringing together local people and letting them say what their needs are.”

With Howard’s help, a board trip was planned focusing on relatively stable countries poised for growth and economic development. South Africa was ruled out, seen as too far along to have significant impact with a small investment, but a number of possibilities remained. Eventually, there



Lushoto, Tanzania/November 4, 2005



was agreement that focusing on English-speaking countries made sense, and a group of seven departed for a 13 day trip to Tanzania, Uganda, and Zimbabwe. As a new, young, board member, Noa recalls the excitement of the trip and the group's potential to build a program: "We didn't know what we were going to come away with. We didn't have a program outline or an agenda of where the focus was going to be. Would we do anything?"

At the time of the February 1992 trip, Tanzania was just emerging from an era of socialism under the leadership of President Julius Nyerere. After Tanganyika's independence from the British in 1961, and subsequent unification with the Zanzibar islands in 1964, the new country of Tanzania was poorly resourced to meet the needs of its citizens. In 1967, President Nyerere signed the Arusha Declaration, which outlined the government's commitment to "African socialism," a middle path between capitalism and communism. Initially, the Arusha Declaration succeeded in creating a more united Tanzania through free education and health services, but by the mid-1970s the government's finances were in ruins. By the 1980s the country's government was completely aid-dependent due to mass accumulated debt coupled with high levels of poverty and few government services. Despite this, Tanzania was transitioning to a market-based economy and urban areas showed signs of economic life. These glimmers had yet to reach the rural poor, where few funders ventured, presenting a glaring need and opportunity to members of the board.

Uganda, on the other hand, had just begun to recover from multiple wars. Idi Amin, a brutal dictator who terrorized the Ugandan populace, ruled from 1971-1979. After his demise, a seven year guerilla war brought President Yoweri Museveni to power in 1986. In February 1992, the war was over but Museveni's government continued to combat rebels from the Lord's Resistance Army (LRA) insurgency in northern Uganda. While over half the country was living in poverty in 1992, the early 1990s also saw the beginnings of economic rehabilitation after the devastation wrought by Idi Amin and years of bloody internal power struggles. This newfound stability opened Uganda to new interest from the international aid community, and it was here that the board saw the most promise for a potential program.

The situation was markedly different in Zimbabwe, which had remained relatively calm and prosperous since the Rhodesian

Bush War ended in the late 1970s. The country had been independent since 1979, and while Robert Mugabe – who has been the country's only ruler since independence – was being criticized by some as repressive and corrupt, the country's economic growth was continuing to show strong, positive trends. In 1992, Zimbabwe was still called the "bread basket of Africa," due to its productive and prosperous agricultural sector. Throughout the 1980s, it had not experienced significant violence or political and economic upheaval, making it the safest and most stable country to invest in as an international donor in 1992.

Aside from Mac and Howard, Cynn timer, Pat, Noa, Mike, Meghan and Carol had never traveled to Africa. Noa recalls that the group met with as many NGOs as they could, starting in the early morning and continuing late into the night. They visited both cities and very rural areas, stopping to talk to people they encountered and meeting officials in government ministries. Despite the pace and rapid consumption of information, the surrounding environs had a profound impact on many of the group members individually. Thinking back on the experience, Pat shared her memories: "You can't go to Africa without it really affecting the core of your being somehow. I was so impressed with the people – who have nothing – and yet [they] are very happy and glad to share what they had."

**“You can't go to Africa without it really affecting the core of your being somehow.”**

After nearly two weeks of non-stop travel and meetings, the group ended their trip within Zimbabwe's Hwanga Park. On a rainy evening their first night at the lodge, the group came together to debrief. Through the hundreds of conversations they had held, one refrain shined through. For a host of reasons, but especially due to a lack of access to capital and supporting infrastructure, there were few opportunities for people to improve their economic prospects. While there was also a need for direct human services, economic opportunities afford the hope for sustainable increases to individual and community well-being over the long-term.

They had also heard from, and in some cases only observed, women in their homes and villages. The group was not



*Dar es Salaam, Tanzania/February 7, 2008*

confident that support directed toward men, intentional or not, would travel up to the community level, whereas this concern did not exist with women. Noa recalled that “it really took until the end of the trip to fully understand that women were carrying much of the load for families, communities, children – even income generation – and if [McKnight] was going to do something, this is where we could make a difference. Help women help themselves help their families.” Pat agreed and stressed that the decision to focus on women was not taken lightly. The group engaged in a thoughtful discussion about the additional burden that access to funds could place on women, including risks of domestic violence and community castigation. In the end, after a thorough exploration, Pat said the group “believed that the additional burden for the support was better than doing nothing.”

As discussion continued into the night, the group began to tackle what a program could look like in a framework of income generating opportunities with a specific focus on women.

Carol’s notes of the Hwanga Park conversation describe an engaging thought exercise that touched on possibilities ranging from a program focused entirely on one small Ugandan village

to a region-building approach across a large swath of East Africa. There was broad agreement that any program should not duplicate work currently being done, while attempting to avoid local organizations and people becoming dependent on McKnight’s grantmaking.

After a great deal of thought and consideration, a microenterprise program targeting rural women in Tanzania, Uganda, and Zimbabwe emerged. They had come across almost no other funders operating in this space and knew that small amounts of money would go a long way. Pat explained: “Because women were already responsible for the health and education of their families, this was a way to benefit women directly instead of funding through the education or health systems – it would enable women to come together as a group, focus on what they thought they could accomplish and then have the means to do so.” Noa was proud of the collaborative, respectful process the group had gone through that night: “It was an organic conversation, a consensus building path to get to a focus of women’s economic empowerment.” While not yet official, The McKnight Foundation would go on to launch an East Africa Women’s Economic Empowerment Program (EAP).

## Introduction to grantee profiles

Ten agencies, five Ugandan and five Tanzanian, illustrate both diversities and similarities among McKnight's EAP grantees. All are indigenous NGOs, yet their origins vary greatly: women returning from USA universities, farmers' association, group of college friends, order of nuns, volunteers for women's rights, and people fleeing Idi Amin. Two are headquartered in capital cities, four in regional towns, and four in rural areas.

In five of these agencies women serve as executive directors. Program or project managers in three others are women. Half of the profiled grantees had previously conducted women-focused activities; the others began such work with McKnight funding. Among EAP supported projects, four work almost exclusively with women beneficiaries or clients; the rest include some men and/or youth. Five conduct training in gender issues, while two others also work directly on women's legal rights.

Given EAP's increasing emphasis on agriculture beginning in 2005, it is no surprise that all ten profiled grantees support farmers in various ways - six support small animal rearing and one encourages keeping insects. Three have set up agriculture demonstration and training centers, and at least three others would like to do so. Five of the projects assist growers in adding post-harvest value to their produce, while eight work on marketing farm products. Finally, half of them include conservation elements such as promotion of improved cook-stoves or tree planting.

The programmatic approach of EAP grantees could be seen growing more integrated over the course of several consecutive grants. Projects of nine profiled grantees include savings and credit groups managed by project participants who internally generate capital and make loans on terms set by members. Known in Tanzania as village community banks (VICOBAs) and in Uganda as village savings and loan associations (VSLAs), this burgeoning sector of the microfinance movement fits well with the particular needs of rural communities.

Project impacts among profiled grantees vary greatly, as does the length of their partnerships with McKnight - from five to 13 years. Total project participants extend from 1,000 to 20,000 among the grantees, while reported increases in women's income range from 20 to over 100 percent. Improved family nutrition is a universal impact, as are investments in education, housing, medical care, and productive assets. Economic gains by women lead to better family relations and enhanced status within households, while leadership experiences in managing project affairs prepare and embolden women to take larger roles in civil society.

Finally, all profiled grantees credit McKnight with helping to improve their organizational capacities. Many noted that they have grown to be more competent proponents in the struggle for women's advancement and a more equitable society. More powerful than all these generalities are the distinctive stories of each profiled grantee and the women they serve. Taken together, these profiles provide a glimpse of EAP's contributions over more than 20 years.

## Ahead of the Curve: Building a Program Focused on Women and Economic Opportunity

The EAP positioned McKnight at the cutting edge of international development work. In the 1980s, a growing volume of research emerged highlighting the differences between men and women's spending habits in poor and developing countries. In particular, this research concluded that when women are given control over household income and expenditures, they are more likely to spend money on such things as nutrition, health, education, and children's well-being.<sup>1</sup> These revelations contributed to an increasing interest in aiding poor women, particularly by providing access to credit and loans, as a means to stimulate development and poverty reduction in poor regions.

Enabling poor communities' access to small loans, savings, and other financial services – commonly referred to as microfinance – was not a new idea, but it became one of the most popular tools in development in the 1980s and 1990s. Microfinance aims to help the poor “reduce risk, improve management, raise productivity, obtain higher returns on investments, increase their incomes, and improve the quality of their lives and those of their dependents.”<sup>2</sup> The idea to connect low-income people with financial services first made an appearance on the development scene in the 1960s. The original aims tended to be increased food production, improved rural development, and decreased rural poverty. This first stage was followed, in the 1970s and 1980s, by a movement toward learning the dynamics of local financial markets in various developing countries and building successful microfinance programs and enterprises in these contexts. At the time, these programs were not referred to as microfinance, but rather as microenterprise, microcredit, rural finance, and rural savings, among others.<sup>3</sup>

Being at the forefront of international development was not part of the board's calculus, and in fact, the decision to focus on women's microenterprise stemmed more from observations on the trip than anything else. It was viewed as a commitment to the McKnight approach that Virginia Binger and Russell Ewald embodied in the 1970s and 80s. They took a hands-on approach and wanted to have direct and personal connections

with the people their grants were meant to affect and the organizations doing the work. Mike recalls thinking: “Direct service capacity and microenterprise was in the tradition of what Ginnie and Russ started early on: connect with people, empower them, and give them the resources they need. This is the key to human services. There was a commitment to these values, and it was carried over into board thinking about the Africa program.” Pat Binger, too recalls seeing McKnight's approach to Minnesota funding and this new Africa program as the same: “Be on the ground connecting with people, let them identify their problems, and take a hands on approach – that is consistent whether US or international.”

With an approach clearly articulated, the board reflected on how it matched with programs they were introduced to on the February trip. Carol Berde and Noa Staryk recalled microfinance organizations beginning to have a presence in urban areas of Uganda and Tanzania. On the other hand, they experienced a number of rural microenterprise operations in the rural areas that held immense potential but lacked access to microfinance opportunities because of their location. These included a chicken rearing business that taught families how to supplement income from poultry ownership, a bee-keeping operation that harvested honey, and a Catholic women's group that sold flowers and crafts. All of them held potential but faced severe shortages in supply and upfront capital.

Noa recalls the initial goal as being very simple: “Put money directly into women's pockets with the hope that it would help their families and communities.” To facilitate an initial entry into this space, the board decided to focus the first year of grantmaking on USA-based organizations that would work directly with these types of local initiatives. Mike envisioned partnering with organizations working to connect emerging rural enterprises to capital, but also to build the local knowledge-base while supporting an enterprise's growth.

Howard Gray and a second consultant – Candace Nelson – were asked to periodically help review proposals and vet potential programs, while also searching for potential local organizations to fund using their relationships with international non-governmental organizations (INGOs) and local leaders. By the end of 1992 the EAP was off and running with approximately \$550,000 in grants to 12 organizations. Four of the grants were used to bridge the closure of McKnight's commitments to health and scholarships, while the other eight focused on the new EAP's direction.

1. Hopkins, Levin, Haddad (December 1994), Women's Income and Household Expenditure Patterns, American Journal of Agricultural Economics.

2. Robinson (2001), The Microfinance Revolution: Sustainable Finance for the Poor, Vol. I, The World Bank and Open Society Institute, 9.

3. Ibid.

## St. Jude's Family Projects and Training Centre

*In 1990 two school teachers fled from Kampala under Idi Amin's reign of terror. On four acres in south central Uganda, they gradually created a highly productive farm that grew to become St. Jude's Family Projects and Training Centre. Known nationally as St. Jude's, it is a demonstration and training facility for the promotion of organic farming. Co-founded by John and Josephine Kizza, Mrs. Kizza currently serves as St. Jude's Executive Director after her husband's passing.*

### Project activities

St. Jude's hosts over 10,000 visitors annually. Most visitors come for a one-day orientation, but others stay for intensive hands-on training, lasting anywhere from a few days to a month or more. On a modest scale, the farm is a working model of integrated, low input, eco-friendly practices that small farmers can easily relate to, including: crop production, animal husbandry of cows, goats and chickens, bee keeping, drip irrigation, vegetable growing, fish farming, tree nursery, and erosion control with low cost water storage for irrigation. Each component of this system contributes revenue to support the Centre's operations.

To provide a market for local farmers' produce, St. Jude's set up a commercial drying operation called Masaka Organic Producers, or MOP. MOP united with other dried fruit companies in Uganda to form Fruits of the Nile, which sells its products to East African and European markets.

Beginning in 2000, St. Jude's used the McKnight Foundation's support to fund direct outreach services for local women. The village level program also serves St. Jude's as a field laboratory to learn how organic farming practices from the Centre can be applied by women farmers of limited means. Participating women, many of whom are divorced or widowed heads of households, typically have only small plots of land with little or no resources to invest for increased food production.

Women form farmer groups and leaders are trained in low- and no-cost organic farming methods such as soil conservation, composting, and non-chemical pest management among other practical techniques. The program also distributes small animals through the pass-on-the gift system whereby animal recipients share the first offspring with others in the group. These penned animals provide manure, improve household nutrition, and help farmers earn a modest additional income. Women learn to use their limited land carefully to grow fruits and vegetables to the high standards required by MOP.

### Impact of McKnight support

Before partnering with McKnight, St. Jude's had no particular focus on women. Under this partnership, over 1,000 women farmers in dozens of communities learned to use their small plots of depleted, eroded soils efficiently. Affordable techniques, such as control of water run-off or composting and care of penned animals, produced visible results which countless other farmers have emulated. All local farmers are welcome to sell their produce to MOP.

St. Jude's has influenced farming practices across the region by training farmer leaders and extension agents of government and NGOs. Recently, with Foundation support, St. Jude's has also advised a number of agencies around the country to develop and implement their own farmer training centers, including at least six other McKnight grantees.

For more than a decade, St. Jude's suffered from limited space for training and meetings. Most overnight visitors had to seek accommodations in a nearby town. Over the last three years, St. Jude's constructed a new building that combines lodging, training rooms, a modern kitchen, and a conference hall to meet the increasing demands for its services. A final grant from the Foundation has helped furnish this new facility, which will generate additional income to ensure the financial viability of St. Jude's well into the future.

### Grants

- \$48,000 awarded in 2000 (2 year grant) to support a model farm and training center in Uganda
- \$105,000 awarded in 2003 (3 year grant) to support a model farm and training center in Uganda
- \$120,000 awarded in 2007 (3 year grant) to help rural women in Uganda to increase food production, improve nutrition, and earn income from organic fruits, vegetables, and small livestock
- \$43,000 awarded in 2010 (2 year grant) to help rural women in Uganda to increase food production, improve nutrition, and earn income from organic fruits, vegetables, and small livestock
- \$99,500 awarded in 2012 (2 year grant) to support 140 women farmers with food security, improved income, nutrition awareness, and environment protection

## Program Execution: Building Capacity to Succeed

In September 1995, the United Nations Fourth World Conference on Women convened in Beijing to draft a global agenda for women's empowerment and equality. The resulting Beijing Platform for Action was a bold and far-reaching document that identified key issues and strategic goals. Meanwhile, the World Bank published the first-ever worldwide inventory of microfinance institutions, titled Sustainable Banking with the Poor, providing a first look at the "explosion of interest in microfinance as a tool for economic development and poverty reduction."<sup>4</sup> Coming three years after McKnight launched a program addressing both areas, these events provided a strong validation for the EAP's approach. Kate Wolford, McKnight's current President, describes the early adoption of gender-based microenterprise grantmaking, as "a tribute to the board's strategic intuition."

**“Economic development done right is empowerment – it’s not just about income and business but controlling resources to which one has access.”**

By 1998, McKnight had distributed 39 EAP grants totaling \$2.72 million with a heavy emphasis on supporting local organizations through grants made to INGOs. As word of the EAP program spread, letters of inquiry began to increase. At the same time, there was a growing portfolio of grantee organizations that required communication, coordination, and management. Pat Binger recalls the EAP's first six years as a learning experience:

“The board realized that we couldn't do everything we wanted to from the US.” The board valued direct, hands on engagement, and dealing with INGOs felt too far removed. As interest in directly funding indigenous organizations grew, Carol Berde remembers the board and staff agreeing that McKnight “needed a presence on the ground and existing staff simply couldn't take that on.”

4. The World Bank. 1995. Sustainable Banking with the Poor: A Worldwide Inventory of Microfinance Institutions. The World Bank.

Reflecting on the growth of the program over its first six years, Mike O'Keefe agreed: “As grants got into their adolescent period – after only one early fact finding trip – it was evident we couldn't do that work from Minnesota and also the domestic work. Being forthright, we needed help.”

To that point, Mike described the first years of the program as having been successful at “changing the lives of a number of people in [targeted] communities and having positive impact on their well-being,” but it felt like something was being left on the table. The first six years had targeted activities that promised tangible benefits, but the “empowerment” part of the program, which was seen as key to sustaining the tangible benefits, was not fully integrated into the EAP's grantmaking.

Candace Nelson, who continued to consult on the EAP and brought a wealth of professional experience in microfinance, was asked to outline strategic considerations for the EAP in 1998 around three broad questions. (1) What are the best strategies for meeting McKnight's goal to foster women's social and economic empowerment? (2) What policies regarding grant size, periods, and renewals will best support these strategies? (3) How should McKnight manage all aspects of the EAP, from identifying applicants and proposal assessment to ongoing monitoring of funded projects?

Candace's report outlined options for each question and the implications of each. Options ranged from policy work to institution building, continuing to work with INGOs to building grassroots institutions, and hiring full-time staff to an external review committee of experts. The board was intrigued by the possibilities and a group of them gathered at Boston's Logan airport in the early fall of 1998 to discuss the EAP's future in the framework of this report. Board members were joined by Carol, Mike, Candace, and the second external consultant assisting with proposal review for the EAP, Jonathan Otto.

Jonathan was relatively new to consulting for McKnight, but his relationship traced back to the EAP's inception when Appropriate Technology International (ATI) received EAP funding. Jonathan worked for ATI in Tanzania and was ATI's contact with McKnight. In fact, his experience as a grantee made him gravitate toward McKnight after the grant closed. He recalled his experience as a grantee:

## Enterprise and Rural Development Programs - Community Initiatives

*Enterprise and Rural Development Programs – Community Initiatives (EARD-CI) began informally in 1997 as the Lake Diluti Women’s Group in north central Tanzania. It registered as an NGO in 2005 with a dual purpose: to promote women’s livelihoods and protect the environment.*

### Project activities

The McKnight Foundation’s increasing focus on indigenous organizations in the mid-2000s resulted in increased investment in capacity building of small promising agencies. A 2005 grant in support of EARD-CI’s peri-urban microcredit program allowed the organization, to professionalize, adding office equipment, loan tracking software, and increased loan capital to meet the unending demand for credit.

About that time, like many other small credit groups, EARD-CI began questioning its lending methodology, which depended on a continual input of external loan capital and used interest payments from poor women to cover program management costs. Not only did this classic form of microfinance perpetuate control of the lending process by outside agencies, its quick turnover, high-cost loans were not an appropriate fit for agricultural credit.

In 2007, with McKnight support, EARD-CI shifted to village community banking, or VICOBA, in which groups of 25 to 30 women organize their own savings and credit program based on internally generated capital. As EARD-CI began working in a series of rural communities, it also added technical support for chicken and goat rearing: a part-time, in-house income opportunity for women lacking access to land, but with many household responsibilities including childcare and cooking.

In recent years, EARD-CI has used VICOBA groups to introduce improved farming practices and other innovations such as loan-based access to agriculture inputs and small solar lights. A final McKnight grant focused on clean burning stoves fueled by seeds of *Jatropha*, a common hedgerow shrub. Providing access to these useful tools has enhanced the vital role of VICOBA groups in community life.

### Impact of McKnight support

EARD-CI’s initial loan fund grew from a portfolio of 30 loans to 1,500, and continues to expand. The VICOBA program now has 30 groups with a total of 1,050 participating women. Individual monthly contributions to the VICOBA lockboxes vary from \$20 to \$60. VICOBA members report monthly earnings of \$33 to \$66 from animal rearing and other small businesses. With an average household income in Tanzania of roughly \$30 per month, the increased income of these women is very significant.

An EARD-CI study found VICOBA members’ use of increased income is concentrated in three areas: secondary and university education for their children, home improvements, and other investments, such as land and animals. When asked to explain the power of VICOBA, Founding Board Chair and current Executive Director Edith Banzi referenced a common Swahili saying: “Nobody will add to an empty hand.” VICOBA members’ regular savings make sure their groups’ collective hand is never empty.

Banzi also benefitted greatly from exchanging data at the 2010 VICOBA summit in Leshoto, sponsored by McKnight.

“McKnight made us to be more active in the NGO world, to become officially registered and more professional with budgets, workplans, monitoring and reports.”

As McKnight’s funding ends, EARD-CI has submitted a number of funding proposals, signed a contract to train other NGOs in VICOBA’s promotion techniques, and plans to market eco-friendly products to generate revenue. From humble beginnings as a community lending circle, EARD-CI is determined to pursue its mission to help rural women address the emerging impacts of climate change.

### Grants

- \$27,000 awarded in 2005 (1 year grant) for an income-generating, business training, and microcredit program for women in Tanzania
- \$50,000 awarded in 2007 (2 year grant) to strengthen women entrepreneurs in Arumeu District of Arusha region, Tanzania, through business training, advisory, and microcredit services
- \$65,000 awarded in 2009 (2 year grant) to strengthen women entrepreneurs in Arumeu District of Arusha region, Tanzania, through business training, advisory, and microcredit services
- \$135,000 awarded in 2011 (2 year grant) to strengthen women entrepreneurs and to integrate micro lending and agriculture activities for increased food production and food security in Arumeu District of Arusha region, Tanzania, through village community banking and agricultural training

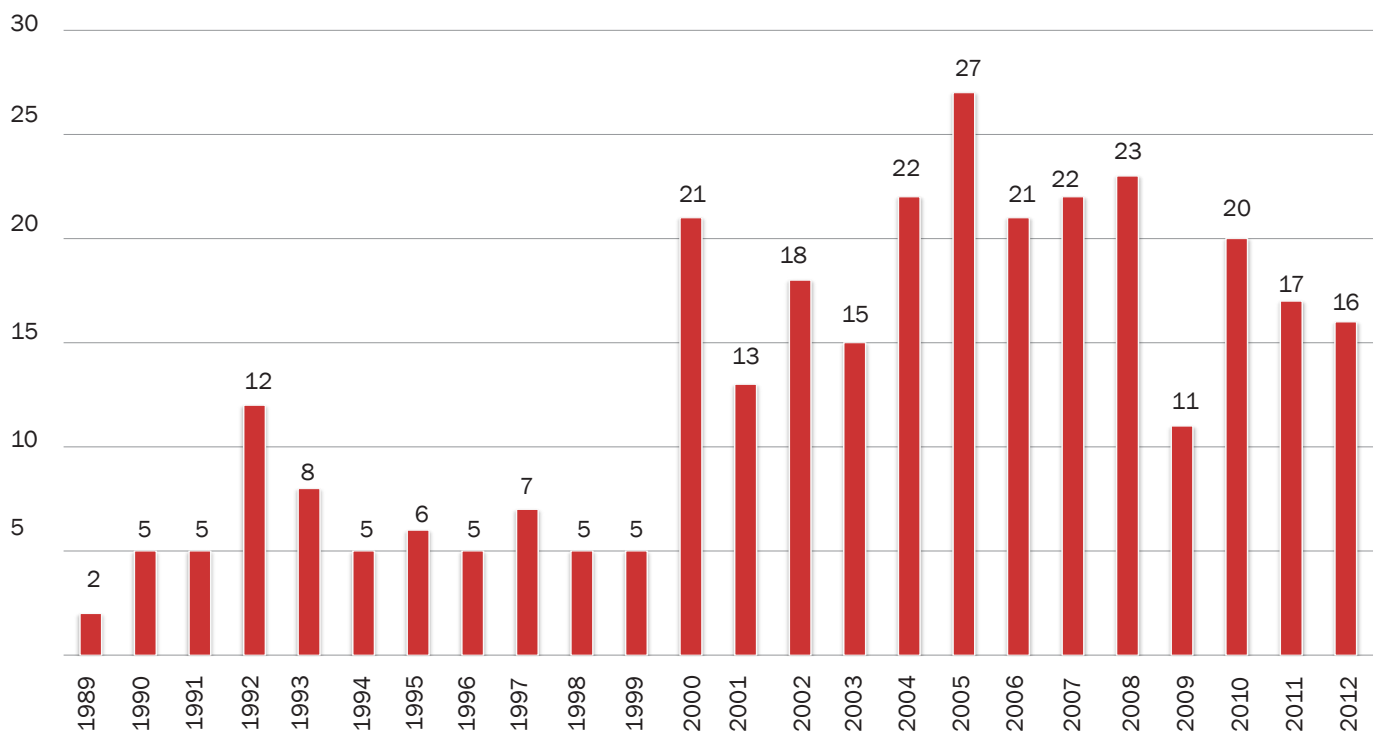
“It was remarkably informal, especially when compared to government funding, which is where most opportunities were coming from. McKnight was focused on helping grant applicants get the grant, making it a marvelously collaborative experience. They did not act like gatekeepers, instead asking ‘how can we get you through our process?’ [They] were tough and thorough, but very positive. It was like Carol was a colleague you could confide in instead of some anonymous donor representative with whom you had to be careful of what information you shared. They liked to see documentation and to understand programs in detail.”

The conversation at Logan evolved over several hours and a consensus started to emerge. The EAP could have a more sustainable impact by, according to Jonathan, “developing social capital on the ground.” To do this, however, more active program management was needed in the region. Pat Binger elaborated: “It isn’t McKnight’s pattern to go through an intermediary like a big NGO. We want to be

hands-on and learn from the experience, but also put less stress on the staff.” Mike explained that the best solution was not to open an Africa office, but to “hire people with experience and knowledge of local culture.” Within weeks of the meeting McKnight had issued a request for proposals from international development consultants to provide the Foundation with program consulting services for the EAP on a continuing basis.

In a December 1998 memorandum to the board, Carol outlined the varied proposals McKnight had received from a larger number of potential consultants, including a joint submission by Candace and Jonathan. Reviewing the highlights and drawbacks of each submission, Carol explained why the Nelson/Otto team made the most sense. Candace’s program design and evaluation on women’s issues and microenterprise, was an excellent complement to Jonathan’s experience helping to build capacity of local African NGOs and women’s enterprises with a focus on agriculture. Their proposal embodied McKnight’s approach, with an “emphasis on building a diversified, balanced portfolio that both captures the experience of established international development

**Figure 1: Grants Approved by Year**





## Tanzania Home Economics Association – Mwanza Branch

*Tanzania Home Economics Association, one of the country's earliest professional organizations, was formed in 1980 by women returning from university studies in the US. Tanzania Home Economics Association – Mwanza Branch, or simply TAHEA, is an independent affiliate of the national association.*

### Project activities

Beginning in 2006, the McKnight Foundation has supported TAHEA to promote the benefits of growing the orange sweet potato or OSP, which is far superior in nutrition to paler yellow potatoes, white-fleshed yams, or cassava. The project operates in remote districts of the Mwanza region, including Ukerewa Island in Lake Victoria. The project helps form farmer groups and trains them in cultivation practices, including growing and propagating vines, the planting material of sweet potatoes.

Additional follow-up projects focused on adding value to OSP, such as chipping pieces to fry as chips or to dry for processing into flour. TAHEA also introduced self-managed village community banking, or VICOBA groups. This microcredit system allows members to borrow money to purchase farm land for OSP and obtain processing equipment. The addition of VICOBA also attracted farmers who originally intended to apply for loans, but upon learning of the advantages of OSP, would start growing it.

OSP received an unwanted boost when diseases decimated cassava, the major root crop, making OSP much more attractive despite sweet potato's customary role as a minor food eaten mainly by women and children. Now it is eaten more widely; however, for cultivation purposes it remains a "woman's crop."

### Impact of McKnight support

Almost 1,500 farmers, of whom 1,358 are women, were directly assisted by TAHEA's McKnight-supported projects. More were reached somewhat indirectly as 1,800 other farmers bought OSP vines from project participants for planting and reproduction. Many neighbors adapted OSP with the gift of a few vines, while leaders from distant villages came to learn at project sites. TAHEA introduced OSP on prison farms for food, which officials credit for reductions in hospital visits and medicinal use by inmates.

Cultivation of OSP provided immediate results in the form of improved nutrition and steady income. TAHEA found that in project areas school attendance improved by as much as 75% due to better nutrition and health. Secondary impacts from increased farm income include the typical household investments that women tend to make, such as better housing and health care. Applying leadership skills honed in the project, women now take positions in local government, serving as counselors and committee members.

For TAHEA the smooth and dependable flow of funding from McKnight – in contrast to other grantmakers' more erratic contributions – allowed for seamless project implementation and earned TAHEA a reputation as a reliable partner. Foundation support also helped TAHEA attract other donors because of successes achieved with McKnight funding.

According to Kapande, McKnight's strong focus on women was, "an eye-opener and an ear-opener that made us look more closely at women's real needs and adjust to meet those needs." McKnight pushed TAHEA to look deeper into constraints women farmers faced in areas like land access and marketing, making TAHEA a stronger organization.

### Grants

- \$116,000 awarded in 2006 (3 year grant) for a food security and economic empowerment program for women in Tanzania.
- \$61,000 awarded in 2009 (2 year grant) for a sweet potato production and marketing project for women in Mwanza Region, Tanzania.
- \$66,000 awarded in 2011 (2 year grant) to build the capacity of women and youth in food security, health and nutrition, bioenergy, hygiene and sanitation, income generation, and money management

institutions and builds local institutional capacity to serve poor women.” And, the two had a positive existing relationship with McKnight. The board quickly agreed that they were the team to hire.

## Developing Goals and Strategies

Over the ensuing years, Candace Nelson and Jonathan Otto worked together with McKnight’s staff and board to refine the program’s goals and strategies. Candace remembers the board wanting the EAP to not only be about enterprise development, but a “multi-faceted approach around [the] empowerment of women for the resources that they manage.” She continues that “economic development done right is empowerment – it’s not just about income and business but controlling resources to which one has access.” This embodied not only the type of program that the board envisioned in 1992, but aligned with McKnight’s approach within its much larger domestic portfolio.

Most other funders in the microenterprise space – support of both microfinance and business development services – were focused on the commercialization of local groups and pushing them to become self-sufficient as quickly as possible. Looking at the field, Candace and Jonathan agreed that two early board observations held true. First, this approach favored stable entrepreneurs in densely populated urban areas and almost completely ignored rural population, which was where the poorest people were located. Second, by focusing on commercialization, nonfinancial services for microenterprise were being ignored. These services are especially critical for women-focused smaller enterprises typical of rural areas, like support for the transfer of technology or agriculture-based initiatives.

Over the programs’ first six years, this work had been supported through INGOs. Examples included the introduction of manual oilseed presses and training in animal husbandry. But, with a desire for the EAP to connect directly with local organizations and people, a more focused and clearly articulated approach was necessary. Jonathan recalled some of the thinking that he, Candace, and Carol Berde put into the direction of the program. They knew that due to economic, cultural, and physical limitations, the opportunities for women to earn incomes and accumulate wealth are narrow. Household responsibilities restrict their ability to work far

outside their homes, raising food for family consumption is their gender-determined role, and most income-earning activities are only available to men. To succeed in building a sustainable set of tangible benefits for women, the EAP would need to focus on enterprises that fit within these constraints.

Combining best practices from international development, Candace and Jonathan’s professional experience, and the approach and vision of McKnight, four ways to address these issues in a rural setting emerged. First, the EAP needed to continue supporting organizations that provided financial services to rural women. Second, the type of business was key because of the aforementioned constraints. The business would need to allow women to meet their household responsibilities and conduct their enterprises near to home. Obvious candidates involve activities around growing, processing, and marketing food. Rural women were already farming on a subsistence level for their families, so improved rearing of animals like dairy goats or chickens could extend that existing activity, producing milk, eggs and meat that could be sold. Expanding or introducing efficient farming practices would allow women to continue feeding their families while also generating income.

Third, in order to expand beyond animals and agriculture, many women would need more time in the day. To provide this, the EAP would need to support efforts that encouraged more efficient practices. An example sits in The McKnight Foundation lobby today – an oilseed press – that came from a 1994 EAP grant to ATI for this purpose. An American engineer developed a continuous through-put oilseed press that efficiently extracts cooking oil from local seeds like sunflower and sesame, a task which African women do by tedious traditional methods. Today, almost 20 years later, some 10,000 of these oilseed presses are in use around east and southern Africa. Improved farming practices for subsistence crops could also be disseminated while introducing more productive and nutritious vegetables.

Finally, to encourage trust, support sustained improvement, and build leaders, bringing women together to work on these projects would be important. By providing economic opportunities for women, McKnight’s board had long recognized the risk that could be associated with this changing household power dynamic. The hope was that relationships could undergo a positive transformation that would not

## Volunteer Efforts for Development Concerns

*Founded in Uganda just after the guerilla movement of current President Museveni took power following many years of civil turmoil, Volunteer Efforts for Development Concerns (VEDCO) was established by a group of university graduates in 1987 to tackle rural poverty and is now active across Uganda.*

### Project activities

VEDCO was encouraged to apply for funding by Robert Mwanga, an agricultural researcher and long-time partner of the McKnight Foundation and TAHEA (see profile on page 19), another EAP grantee. McKnight funding has supported production of high-value crops and creation of farmer mutual support groups in several districts of central Uganda. Improvements in post-harvest handling and collective marketing of crops were added. Over the years, VEDCO developed an integrated approach to food security and farm income adding pigs and poultry to the system. Crop residues feed these animals whose manure in turn enriches nutrient-depleted tropical soils. Village savings and loan associations, or VSLA, were then added to provide microfinance services and to increase cohesion of farmer groups.

Executive Director Joseph Paschal Bbemba credits McKnight with helping VEDCO “put on the gender lens” so it could learn to work with women farmers based on their self-defined needs and priorities. He cited one example of this: selecting crops most appropriate for women farmers. Pineapples require a lot of land and have distant markets, which are often barriers for women farmers. Passion vines need little land and the fruit enjoys a ready local market. In Bbemba’s words, “McKnight got [VEDCO’s] feet moving” towards a focus on women farmers. Once the advantages were clear, VEDCO incorporated a gender lens into of all its programs.

### Impact of McKnight support

Some 5,320 farm families benefitted directly since 2000. As VEDCO’s ability to reach women improved so did the proportion of women participants, from 57% in 2004 to 90% in 2012. Poultry growing households now earn more than twice the national average. Bbemba is sure that “women farmers will never go back” to subsistence farming. Increased income over time has been invested in school fees, medical care, and housing, as cement and metal replace mud and straw.

Nutrition improves with regular home consumption of orange fleshed sweet potatoes and eggs. Relations within families change as income-earning wives become partners in household economic decisions, helping to reduce fighting over finances. Regular savings and even modest wealth accumulation through VSLA is a key part of this transformation.

Successful ideas spread to neighbors, such as more careful methods of raising pigs or poultry. Before VEDCO’s interventions many people kept only a few animals casually, not realizing the potential for profit and systematic use of manure. The most impactful shift was the changing perception of farming to a business that requires planning, investment, recordkeeping, and marketing.

As an early supporter of VEDCO, McKnight’s funding allowed the organization to develop and refine its methods. The results were tangible evidence of what VEDCO could do, which attracted more donors and partners. This has helped VEDCO grow into one of Uganda’s largest and most respected indigenous NGOs. Other agencies have learned from VEDCO and adopted its gender-focused approaches, as well.

VEDCO wished for more frequent opportunities to engage with other McKnight grantees as they found the one convening of Ugandan grantees extremely useful. Such contacts eventually led to on-going collaboration with other grantees, and VEDCO found a new role in McKnight’s Collaborative Crop Research Program or CCRP.

### Grants

- \$140,000 awarded in 2000 (3 year grant) for an effort to reduce post-harvest losses of vegetables and fruits through the use of improved farming processes
- \$120,000 awarded in 2004 (3 year grant) to enhance the commercial competitiveness of agricultural products grown by women in Uganda
- \$120,000 awarded in 2008 (3 year grant) to transform women’s farmers groups into viable structures for collective production and marketing for improved household income in Uganda
- \$115,000 awarded in 2011 (2 year grant) to support commercial poultry enterprise development for enhanced household income in Mukono and Buikwe districts

**Table 1: EAP Lifetime Distributions**

Year	# of Grants Awarded (award year only)	Total paid out
1989	2	\$10,000
1990	5	\$118,000
1991	5	\$254,763
1992	12	\$329,143
1993	8	\$503,600
1994	5	\$265,100
1995	6	\$545,500
1996	5	\$582,600
1997	7	\$496,500
1998	5	\$352,000
1999	5	\$417,377
2000	21	\$1,152,700
2001	13	\$976,500
2002	18	\$1,222,000
2003	15	\$1,088,236
2004	22	\$1,304,000
2005	27	\$1,303,600
2006	21	\$1,406,500
2007	22	\$1,578,000
2008	23	\$1,597,000
2009	11	\$1,190,452
2010	20	\$1,235,000
2011	17	\$1,153,000
2012	16	\$1,156,000
2013	0	\$885,500
<b>Total:</b>	<b>311</b>	<b>\$21,123,071</b>

**Table 2: EAP Distributions by Organization Type**

Year	Grants awarded to US-Based 501(c)3 organizations	Grants awarded to local NGOs
1992	12	0
1993	5	3
1994	2	3
1995	4	2
1996	4	1
1997	6	1
1998	4	1
1999	5	0
2000	12	9
2001	8	5
2002	3	15
2003	4	11
2004	5	17
2005	4	23
2006	5	16
2007	2	20
2008	4	19
2009	1	10
2010	2	18
2011	2	15
2012	1	15
<b>Total:</b>	<b>95</b>	<b>204</b>



Fort Portal Area, Uganda/November 9-11, 2005

only benefit women as individuals but entire families and communities. To do this, societal support mechanisms and leadership development would be important. In practice, this meant supporting both women-led organizations and those that were committed to expanding their reach to target women.

Noa Saryk recalls that the board, staff, and consultants worked hard over a few years to come together on all of these points, describing Candace and Jonathan as “thought partners.” Together they developed, approved, and published a goal and corresponding strategies to achieve it for the EAP (see Table 3).

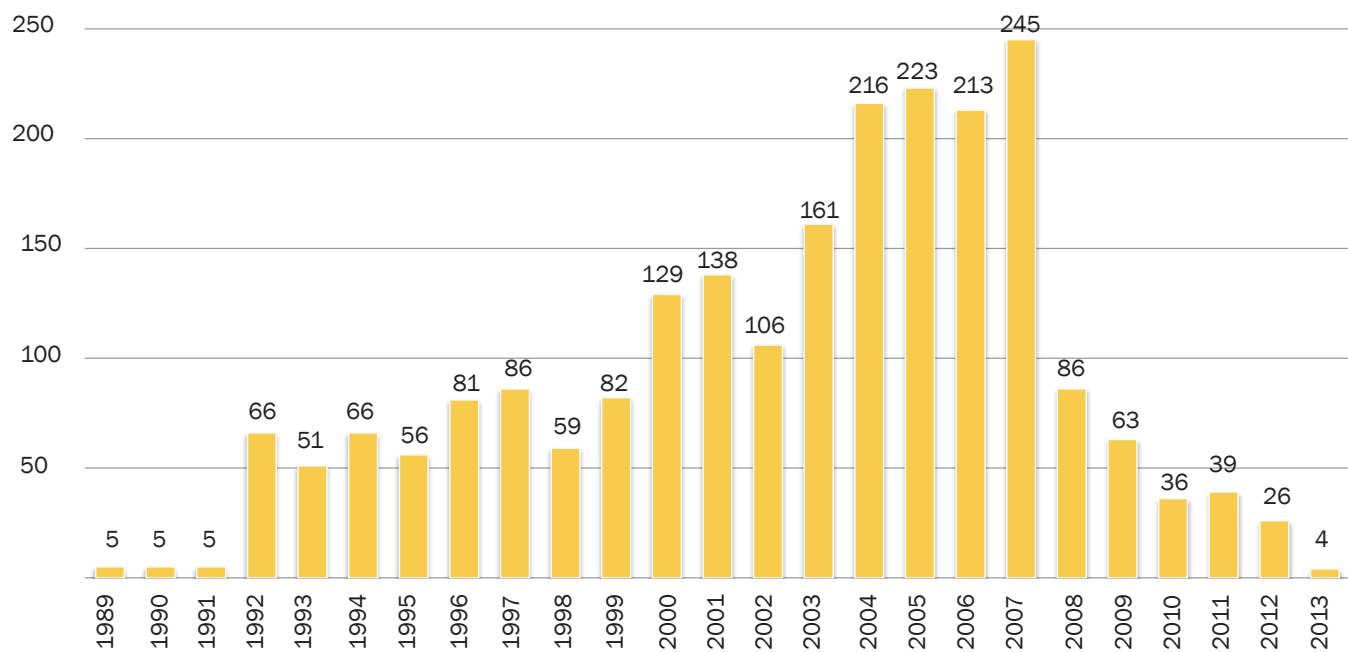
The geographic focus was also refined in order to reduce costs and increase the potential of synergies between projects. According to a 2002 report, McKnight avoided the increasingly violence-prone area of northern Uganda, and concentrated on the “agriculturally marginal communal farming areas” in Zimbabwe. In Tanzania, a much larger country with poor transportation infrastructure, grants were focused “on an arc across the north of the country, from Lake Victoria in the northwest, through Arusha in the north central area, east to the Indian Ocean...[including] coastal areas of Dar es Salaam and the islands of Zanzibar.”

With clear goals and strategies in place, as well as two program consultants, the board was prepared to make a commitment to the EAP’s success. From 1992 – 1999, McKnight awarded an average of six EAP grants per year with an average annual program budget of \$452,000. Over the next twelve years, 2000 -2012, McKnight would go on to award an average of 19 grants per year with an average annual program budget of nearly \$1.3 million (see Table 1).

**Table 3: EAP Goals and Strategies  
(as approved by The McKnight Foundation Board in 2009)**

Goal
The Africa Grants Program fosters economic and social empowerment of women in Uganda, Tanzania and Zimbabwe by improving their productive capacity, entrepreneurial skills and access to financial services. The process of gaining increased access to and control over financial resources engenders women’s social empowerment.
Strategies
<b>1. Foster women’s ability to start, develop and manage their own small and micro businesses to increase the income they have to support family and household needs.</b>
<ul style="list-style-type: none"> <li>• Provide poor women with access to a range of financial services that will increase their options for managing household and business finance.</li> <li>• Increase women’s access to the range of business development services they need to develop and expand their business</li> </ul>
<b>2. Enhance the ability of rural women to grow crops and raise animals that will result in improved food security and increased income.</b>
<ul style="list-style-type: none"> <li>• Support the development and dissemination of sustainable, integrated agriculture</li> <li>• Support animal husbandry among rural women as an important component of a rural family’s strategy for financial survival</li> <li>• Support women’s access to more lucrative markets for their crops</li> </ul>
<b>3. Enhance women’s ability to manage natural resources both to protect specific resources and achieve income gains and/or savings of time and labor.</b>
<ul style="list-style-type: none"> <li>• Manage natural resources through business promotion</li> <li>• Promote technologies that conserve limited resources and enable women to save time</li> </ul>
<b>4. Promote women’s social empowerment as an integral element of their economic empowerment</b>

**Figure 2: Letters of Inquiry (LOI) Received By Year**



## **AIDS: Death, Orphans and Economic Devastation**

In 2001, McKnight piloted a fifth EAP strategy in response to the ongoing HIV/AIDS epidemic in sub-Saharan Africa. The virus is part of a relatively recent yet devastating narrative in world history. While the first cases of Human Immunodeficiency Virus (HIV) occurred sometime around the turn of the 20th century, as recently as the 1970s there was no wide-spread awareness of the disease.<sup>5</sup> Since the first cases of Acquired Immune Deficiency Syndrome (AIDS) were officially recognized and diagnosed in the early 1980s, the HIV/AIDS epidemic has claimed nearly 30 million lives. Roughly 69 percent of the HIV-infected population is concentrated in sub-Saharan Africa, making it the hardest-hit area of the epidemic.<sup>6</sup>

Candace Nelson recalled the issue being everywhere they turned when visiting project sites: “You could not help but be struck by the impact of AIDS.” At village meetings, Candace remembers that most people present reported caring for at least one child orphaned by HIV/AIDS: “You couldn’t get out from under the responsibility of extra kids in your house.”

The effect of AIDS on the prevalence of orphans (also referred to as “orphans and vulnerable children,” or OVC) is unique because AIDS has killed a significant percentage of

5. AVERT, AIDS Timeline, <http://www.avert.org/hiv-aids-history.htm/>.

6. WHO (2013, June), HIV/AIDS Factsheet No. 360, retrieved from <http://www.who.int/mediacentre/factsheets/fs360/en/index.html/>.

childbearing and childrearing adults in Africa, and because the epidemic had been ongoing relatively unaddressed for an unprecedented amount of time. Additionally, orphans who lose their parents to AIDS are at higher risk of contracting the disease themselves, thereby perpetuating and exacerbating the disease’s destructiveness.<sup>7</sup> In the late 1990s international organizations began to collect and disseminate data relating to AIDS OVCs. The picture painted was a bleak one, as 3.6 million children in sub-Saharan Africa lost at least one parent to HIV/AIDS in the 1990s.<sup>8</sup>

On February 12, 2001, TIME Magazine published a cover story on the AIDS epidemic in sub-Saharan Africa that highlighted the increasing devastation of the disease and a lack of resources being devoted to combat it.<sup>9</sup> Jonathan Otto still remembers this cover story, entitled “Death Stalks a Continent,” as a powerful motivator to explore funding options for AIDS orphans as part of the overall EAP strategy. It was in this climate of urgency that The McKnight Foundation explored funding for AIDS OVC.

At the request of the board and on his next trip to the region, Jonathan met with key stakeholders and developed a

7. Smart, R. (2003, July), Policies for Orphans and Vulnerable Children: A Framework for Moving Ahead, POLICY & USAID, <http://hivaidsclearinghouse.unesco.org/>.

8. UNAIDS, UNICEF, & USAID (2002), Children on the Brink, retrieved from [http://data.unaids.org/Topics/Young-People/childrenonthebrink\\_en.pdf](http://data.unaids.org/Topics/Young-People/childrenonthebrink_en.pdf).

9. McGeary, J. (2001, 12 Feb.) Death Stalks a Continent, TIME Magazine, Vol 157(6), pg. 36+.

## Montessori Training Center

*Founded in 1994, Montessori Training Center (MTC) is the chief program of a small order of Roman Catholic nuns called the Sisters of the Usambaras. MTC's main effort is to train teachers, but its hillside campus near Lushoto also hosts food-based businesses, a hostel for tourists, and conference center, all of which help support the sisters and their programs.*

### Project activities

The fertile, well-watered Usambara Mountains of northeastern Tanzania have the country's highest rural population density with concomitant environmental degradation from deforestation and farming on steep hillsides. Without access to land, women earn some money from small enterprises, but are hampered by a lack of business competence and capital.

Since 2007, with funding from the McKnight Foundation, MTC has attacked the dual challenges of undercapitalized small businesses and rampant deforestation. It has used the savings and credit methods of village community banking, or VICOBA, as an entry point to isolated mountain hamlets, combining microfinance with tree growing and planting.

In partnership with McKnight grantee Global Education Partnership-Tanzania (GEP-TZ) this project provides basic business skills. The VICOBA groups are formed to accumulate members' savings into self-managed loan funds on terms set by each group. The district forestry service offers practical training in tree nursery management and post-transplanting care of seedlings. Each VICOBA group maintains a nursery, but the project also encourages non-participant women and local schools to start nurseries.

In 2010 with funding from McKnight, MTC and GEP-TZ co-hosted a gathering of 25 agencies that promote VICOBA, including 16 McKnight grantees from across Tanzania and two from Uganda. After three days of intense exchange of ideas, the attendees formed the VICOBA network to promote the spread of best practices of this form of microfinance and advocate for its recognition by the government.

### Impact of McKnight support

Over 900 women have been directly served by MTC's small business and tree promotion project. Many receive loans to complement their new business skills and grow their small enterprises. With VICOBA's savings function, women are able for the first time to build up cash reserves that earn interest. These small accumulations of wealth are kept out of the house, safely beyond the reach of impulse expenditures or demands for cash that women cannot deny such as husbands or needy relatives. Women use these savings to invest in productive assets such as small animals, housing improvements, and secondary, and even tertiary, education for their children.

When Sister Gaspara and her team proposed to grow and plant a million trees, the goal seemed wildly unrealistic. Even if VICOBA groups somehow grew that many seedlings, how would they ever be disseminated and planted? McKnight's program consultant advised MTC to greatly reduce the target. He is now delighted to admit he underestimated the creativity of these women. As seedlings matured, the entrepreneurial women took 10-20 small plants to markets everywhere, offering cheap seedlings to eager buyers who had no other easy access to young trees for planting. Soon many women began their own private nurseries. The project had created a new eco-enterprise for the sale of tree seedlings.

In the first two years alone 275,000 trees were planted for fruit, firewood, fiber, shade, and erosion control. 60,000 trees grown at four schools were proudly disseminated by students who took them home. After eight years of McKnight's involvement in the program, MTC has lost count of how many trees were planted, but it likely exceeded the "wildly unrealistic" target. Better still, growth, sale, and planting of trees has been incorporated into the culture of the Wasambara people.

### Grants

- \$45,000 awarded in 2007 (2 year grant) to overcome capital constraints of women entrepreneurs through business training and village banking, and to increase environmental protection skills through training and application in a reforestation program in Tanzania
- \$82,000 awarded in 2009 (2 year grant) to overcome capital constraints for women entrepreneurs through business training and village banking, and improve the environment through reforestation
- \$65,000 awarded in 2011 (2 year grant) to provide women in rural Lushoto with training on business development, village community banking, and environmental protection skills

comprehensive report on AIDS OVC funding priorities that related to McKnight's broader EAP goal. Through the report, and Jonathan and Candace's experience on the ground, the board determined the plight of AIDS orphans significantly increased the burden on many of the women they were trying to reach as they became caretakers and widows. In addition, there was a dearth of funding available to address the issues Jonathan's report raised. Pat Binger remembers that the board did not want to shift [the] EAP's sole focus, but the AIDS OVC work "was very connected to the other work we were doing there."

The strategy for this pilot was simple: build community resources to care for AIDS orphans. It was intentionally left broad so that the Foundation could respond to community needs that arose through the EAP's more targeted work. In practice, this meant some grants targeted vocational training for orphans and the widows caring for them, while other times existing McKnight grantees were given additional funds to expand their microenterprise services to these populations. A small pool of funding was also made available for foster care and psycho-social support of OVCs and their communities.

After piloting the strategy and approach for four years, it was clear that the program was addressing critical emerging needs. But with millions of OVCs, it was difficult to integrate their multiple, unique needs with a strategy focused on women's microenterprise. At the recommendation of McKnight staff and the EAP consultants, the board engaged the Ginger Group to conduct a strategic review of the pilot, which took place in the first quarter of 2006. While it had only been five years since Time Magazine's cover story, the report showed that the landscape of funding for AIDS OVCs in Africa had dramatically changed. Large-scale government funding programs created to address the epidemic were finally up and running after a slow start. Tanzania and Uganda had developed national policies and standards for OVCs, and faith-based foreign aid targeting OVCs had rapidly increased.

The report also highlighted the key role McKnight's pilot had played in addressing immediate needs, putting the Foundation ahead of the curve in funding key programs that would later emerge as large donor trends. In their analysis of ten McKnight OVC grantees from 2001 – 2005, the Ginger Group estimated that the pilot had assisted 8,525 OVCs, 1,296 family and community members, and had helped at least 65

smaller community- and faith-based organizations beyond the grantees. Eight of the organizations had previously never received support from external donors, and one grantee reported that McKnight support "attracted additional donors to the institution, enabling them to scale up their activities."

Despite this success, there was near universal agreement that funding for AIDS OVCs had quickly become funder saturated. While the Ginger Group's report identified possible gaps where an OVC program could develop, Noa Staryk remembers thinking that with relatively limited funds available, an OVC program "could make a difference that was small and profound, but we couldn't be big and profound." Dan Bartholomy, who worked with the Ginger Group and oversaw the EAP beginning in 2006, recalls thinking that "money and sophistication had grown quickly" in the field of OVC funding, and to continue having an appropriate and innovative impact, a change was required that "would take away from the EAP's core goal."

Pat Binger recalls the decision to end the pilot funding support for AIDS OVCs in 2006 as being reached via consensus, as "the problem was finally being addressed by lots of other people who had moved into the space. We could do more if we remained where we were." Bob Struyk agreed that "it [was] not a necessary focus for the Foundation to have." He continued, however, that learning about the complexity and spread of AIDS were "great epiphanies" and while it was the right decision to end the pilot, his "heart was torn." Over the life of the five-year pilot, and three-year transition phase (2001-2009), 27 AIDS OVC grants were made totaling roughly \$1.4 million.

## Shifting from Direct Service to Holistic Capacity Building

In the early- and mid-2000s, microfinance was undergoing a shift away from the Grameen Bank model developed in 1976 and toward the Village Savings and Loan Association (VSLA)<sup>10</sup> model established by CARE in 1991. Grameen's original model was to deliver access to credit and banking services to the poor. The existence of Grameen-like organizations providing financial services had grown significantly and reshaped the landscape; however, there were limits as to how

10. In Tanzania, this model is referred to as Village Community Bank (VICOBA). For consistency purposes, VSLA will be used except in grantee profiles specific to Tanzania.



## Initiatives for Development and Equal Access to Services

*Initiatives for Development and Equal Access to Services (IDEAS) was launched in 1988 by farmers in the Kagera region of Tanzania, bordering both Uganda and Rwanda. Its mission is to help communities access productive assets and services to develop a sustainable, equitable society.*

### Project activities

IDEAS discovered the McKnight Foundation online. An initial Foundation grant in 2005 promoted mixed farming – symbiotic raising of animals and crops. Activities included dairy cattle loans, agricultural supply shops, ox-plowing services, and support for small scale irrigation. Within two years plowing services and input shops were self-funding, without external subsidy.

In later projects, IDEAS replaced cows with smaller livestock, which are easier and cheaper to maintain. A para-vet program provides access to animal health services and supplies, while tree nurseries and improved stoves counter rampant deforestation. To meet demand for microcredit, IDEAS added savings and credit groups known in Tanzania as Village Community Banking, or VICOBA. In this region of high HIV/AIDS rates, IDEAS offers legal training to combat gender-based violence and “disinheritance,” a banned customary practice by which in-laws seize widows’ property.

### Impact of McKnight support

With Foundation support IDEAS has worked with 1,800 women farmers, whose income has increased over 75% on average in addition to gaining household food security and nutrition. In daily community life, women apply skills honed by managing farmer groups and VICOBA associations to advocate for better services from their local government. During training against spousal abuse many women found they are not alone, and some collaborated with another McKnight grantee, TAWOVA, which works to advance local enforcement of laws against domestic violence and disinheritance. (Please see TAWOVA profile on page 29.)

Project benefits spread beyond the households of direct participants since many other farmers now hire plowing services and buy hard-to-find inputs at IDEAS’s agricultural supply shops. Farming practices, such as use of improved seed varieties and manure, have been widely adapted by neighbors. On a larger scale, Deo Mwombeki, IDEAS’s founding Program Coordinator, notes that McKnight is a key player in the rapid popularization of VICOBA.

Prior to McKnight’s support Mwombeki admits, “Women were overlooked in our program. We always included a few women in our farmer groups, but with McKnight’s help we took our involvement with women to a new level.” As IDEAS worked to understand women’s needs and contributions, Mwombeki and IDEAS staff came to see that “women are the best agents of change” in families and communities because they invest income gains in education, housing, and medical care.

The VICOBA summit was particularly valuable for IDEAS, as Kagera is on the fringe of mainstream Tanzanian development activities. IDEAS’ leaders were also delighted to participate in a gathering of Ugandan grantees held nearby.

Although IDEAS is disappointed to see its relationship with McKnight end, it has prepared for this transition well in advance. Its remote location makes fundraising quite challenging: few donors venture this far from paved roads. Some essential IDEAS activities are financially self-supporting or community-managed, like VICOBA and tree nurseries, and will likely continue on their own. Organized by and for Kagera farmers, IDEAS will shape its services depending on resources; however, signs are good that it will find a way to continue its work.

### Grants

- \$43,000 awarded in 2005 (2 year grant) for an agriculture program for women in Tanzania
- \$92,000 awarded in 2008 (3 year grant) for economic empowerment of rural women in Ngara district in Tanzania through a five-component program of training and agricultural services
- \$86,000 awarded in 2010 (2 year grant) for economic empowerment of rural women in Misenyi district in Tanzania through a program of farmer training and agricultural services
- \$91,000 awarded in 2012 (2 year grant) to improve household incomes and food security through sustainable agricultural

far their clientele, especially women, could grow under an externally controlled system. This was especially true for rural populations where McKnight was focusing the EAP. VSLAs, on the other hand, were member-administered at the community level, afforded a greater range of services centered on their members' needs and eliminated most transaction costs. The Grameen Bank itself had actually shifted toward a locally-owned style by this time.

Transferring ownership of the process to local models and focusing on savings and asset building was a resounding success. An estimated 9,000 VSLAs were created from 1991 – 2001, with women comprising an estimated 70 percent of membership. McKnight's EAP was nimble enough to adopt these emerging trends and fund VSLAs directly, well before most private funders. McKnight was also one of the first to support a holistic view of this new approach. Jonathan Otto explained that McKnight paid close attention and learned from their decade-long work on the ground:

“We knew that launching some massive, integrated, solving-everything-at-once approach would simply overwhelm people. But if you start with something specific like improved small animal rearing or beekeeping, then, as women express their need for credit to grow these home-based enterprises, you can add the savings and loan group work. VSLA becomes a means of developing trust and solidarity while introducing a new organizational structure managed by and for the women themselves. In this way, VSLA is a demand-driven wraparound service that helps maximize opportunities within the limited economic action space of rural women.”

McKnight's support of the Montessori Training Center (MTC) in northern Tanzania provides one example of how VSLAs could be used to advance more than one goal. MTC's Principal Sister Gaspara first approached McKnight in 2005 with a proposal to address the rampant deforestation that was wreaking havoc for communities in the Usambara Mountains. By 2007 MTC had identified a novel approach to do this through VSLA groups by requiring each group to plant and maintain tree nurseries. Much to Jonathan's surprise, the women turned this mandated VSLA activity into successful businesses by selling hundreds of thousands of trees to local residents to plant in their homes and on their hillside farms.

Because access to microcredit was fused with a money-making reforestation activity, the two components became mutually reinforcing. (See MTC profile, page 25.)

Through their work on the ground, Candace Nelson and Jonathan also identified a growing movement toward organic farming practices in Tanzania and Uganda. This didn't arise from a market demand for organic produce, but out of necessity. Commercial farming, even at a small scale, requires a constant stream of purchased inputs. To mitigate the negative impacts that nutrient-poor soil, unfavorable weather conditions, and insect infestations could have on crop yields, the use of chemical fertilizer and insecticides is common in the developed world. In rural Africa, access to these products was limited and few could afford to purchase them. By adopting principles of organic farming, these rural farmers could implement low- or no-cost controls that would provide many of the same benefits as expensive chemicals.

Funding the dissemination of organic farming techniques could allow women farmers to protect and expand their crop yields, producing a surplus to be sold. Collaborative marketing of organic food products, with funding support for improved quality and quantity, could connect growers to regional and European markets where demand for organic products is high. For example, most banana farmers sell their bunches by the roadside or in nearby markets during a brief window of time at low prices due to the perishable nature and seasonal over-production of bananas (or mangos or a dozen other popular fruits). If this produce were grown organically, the surplus could be dried, packaged and marketed through vendors serving distant markets. Recognizing the potential benefits, McKnight began funding projects that supported this profitable agricultural subsector.

Jonathan recalled that when he and Candace saw an unmet need or opportunity in their work they could raise it with McKnight staff, who had the flexibility to address it quickly. This was one of the highlights of the EAP for him, since “once you go down this path of passing on better practices and new approaches, each project has the potential to be more successful than the last.” Erika Binger traveled to the region in 2004 and visited a number of grantees with Candace in Uganda and Jonathan in Tanzania. She witnessed this shift in funding and “loved the spirit of it and seeing how it developed leadership in the different countries, especially with

## Tanzania Women Volunteers Association

*Tanzania Women Volunteers Association (TAWOVA) is a national NGO founded in 1993 for the purpose of promoting the welfare of women and children. Its projects advance the rights of disadvantaged and vulnerable women, girls, and orphans.*

### Project activities

For 15 years TAWOVA has worked in the northwest region of Kagera to address women's legal and socio-economic issues ranging from spousal abuse and widows' property rights. TAWOVA helps negotiate settlements and litigate for women, but these petitioners often lack funds for transportation, food or lodging for overnight visits, or preparation of legal petitions. TAWOVA's solution: fund legal aid with business income.

In 2005, with McKnight Foundation support, TAWOVA set up a microfinance program that provides business loans to women entrepreneurs. Within five years that program was able to cover all costs from loan income, with no additional external support. It continues to grow today. A portion of the program's microloan income is allocated to underwrite a legal aid fund for widows and other women. It provides hundreds of carefully targeted, quick release mini-grants as small as \$25.

Since 2010, with Foundation funding, TAWOVA has assisted rural Kagera women to begin beekeeping and market their apiary products. Beekeepers form a village community bank or VICOBA groups to save and invest in more hives. Members of these beekeeping VICOBA groups contribute 20% of net income to TAWOVA's legal aid fund.

In 2010 with funding from McKnight, MTC and GEP-TZ co-hosted a gathering of 25 agencies that promote VICOBA, including 16 McKnight grantees from across Tanzania and two from Uganda. After three days of intense exchange of ideas, the attendees formed the VICOBA network to promote the spread of best practices of this form of microfinance and advocate for its recognition by the government.

### Impact of McKnight support

The microfinance program has grown to serve over 500 clients annually. Its loan portfolio continues to expand, as does its contribution to the legal aid fund. Another 500 women have become successful beekeepers. The demand for honey and bees wax is so strong that beekeepers now earn as much as \$500 annually. Harvesting and processing bee products provides part-time employment for several thousand workers.

Women entrepreneurs in the microfinance program and women beekeepers report using their increased income to reinvest in businesses, improve families' living conditions, and pay for children's education and health costs. Some of these successful women were once clients of TAWOVA's legal services. Others have become paralegal volunteers trained by TAWOVA to advocate at village and ward levels for enforcement of laws against gender-based violence. Solidarity among women finds tangible expression in their willing contributions to the legal aid fund that has helped so many of their vulnerable sisters during times of great need.

For Njambe, a major benefit from partnering with McKnight was that it allowed TAWOVA to reach beyond its historic comfort zone of human rights programming and venture into economic justice work to help poor women earn their own money, gain some independence, and have a better life. Yet, once encouraged by McKnight to think in that direction, it was TAWOVA that forged the link between improving women's economic status and affording their legal rights.

With McKnight's assistance, TAWOVA has learned to integrate women's rights in programs also providing economic opportunities.

### Grants

- \$100,000 awarded in 2005 for a business skills training and microcredit program for women in Tanzania
- \$40,000 awarded in 2008 to promote income generation through training in small business skills and loans, and to further legal rights through income generated from the loan scheme
- \$70,000 awarded in 2010 to support a beekeeping and village community bank project for women in Tanzania
- \$75,000 awarded in 2012 for a business skills training and microcredit program for women in Tanzania



Moshi, Tanzania/February 11, 2008

the [grantee] program directors and their aspirations.” She continued, “I witnessed how McKnight’s money could make a difference not just programmatically but institutionally – technical assistance, capacity building, program evaluations – creating an infrastructure that didn’t [previously] exist.”

### Zimbabwe’s Economic Collapse

In Tanzania and Uganda, McKnight was shifting to VSLAs and organic farming, but Candace Nelson and Jonathan Otto had trouble even traveling to Zimbabwe. The landscape there was rapidly changing and increasingly troubling. In 2000, President Mugabe enacted a land reform policy to return land ownership to the indigenous population by condoning the takeover of farms that were owned by a small minority of white landowners who controlled the most productive farmland. This policy, which became synonymous with chaos and violence, began a mass exodus of Zimbabwe’s white farmers and did irreparable damage to the commercial farming sector – heretofore a major source of exports, foreign exchange, and jobs. The country once touted as the “bread basket of Africa” had now become a net food importer. As the economic and political situation in Zimbabwe spiraled downwards, the Reserve Bank of Zimbabwe began printing more money in order to cover ever-climbing government costs, a practice which only served to further ruin the economy by causing hyperinflation and economic collapse.

In such degraded economic conditions, supporting programs in Zimbabwe became an ever-growing challenge for The McKnight Foundation. Candace and Jonathan had been visiting grantees in Zimbabwe in 2000 when Mugabe’s reforms were enacted and witnessed some of the initial violence. They made another visit to the country in 2002, where Candace and Jonathan remember facing serious challenges in the conduct of their usual activities. Gasoline was virtually unavailable for up-country travel, and a black-market exchange rate for the US dollar had emerged at 30 times the official rate. Grantees were worried that any foreign currency funds would be confiscated by the government and requested that McKnight grants be paid through a variety of external channels shielded from government view. Looking back, Candace admits that the obstacles were simply too constraining for an external donor.

In only two years, poverty had dramatically increased and food shortages had become the norm. Due to increasing constraints, by 2004 the EAP’s grantmaking had mostly shifted to partner intermediaries based in other countries that worked with local groups. Unemployment rose, and by 2005 it was estimated that nearly 70 percent of the population was in need of food assistance. After talking with partners, the board realized the needs of Zimbabwe had dramatically shifted from women’s microenterprise to basic humanitarian assistance. This fell far outside the scope of the EAPs goals and the consultants’ experience. By the end of 2005, McKnight slowly began to

## Kabarole Research and Resource Centre

*Kabarole Research and Resource Centre (KRC) is a leading NGO in the Rwenzori region of far western Uganda. Over the past 17 years KRC has established extensive programs that use community-centered development processes to attain equitable sustainable livelihoods.*

### Project activities

Starting in 2000, McKnight supported KRC's micro-projects with rural women including promotion of village savings and loan associations or VSLA groups. KRC found that even the best VSLA groups were by nature isolated from each other, unable to pool resources to meet demands for credit or other agricultural services. Beginning in 2004, KRC helped set up a second tier of organizations that merges 20 to 30 VSLA groups into microfinance associations or MFAs at the sub-county level. MFA serve as rural banks to provide a broader base for training, capital accumulation and targeted lending.

KRC assisted MFAs to form an apex entity, the Federation of Rwenzori Microfinance Associations (FORMA). FORMA provides expert training and mentoring to MFA leaders, and attracts loan capital at low interest from Ugandan and international banks – capital that FORMA uses to make wholesale loans to its member MFAs. Eventually, KRC spun off FORMA into an independent self-financing agency, and turned its attention to another key need of farmers: selling crops at fair and dependable prices to buyers who demand sizeable quantities and high quality, but may not pay promptly.

With McKnight Foundation support, KRC helped set up a series of Marketing Associations allied with MFAs so farmers have timely data on market demands, are able to sell their produce collectively in bulk contracts to distant buyers, and can receive payment right away through loans from an MFA to allied Marketing Associations. In a virtuous circle, higher prices for crops allow farmers to save more, which increases the MFA's loan portfolios to meet credit demands of borrowers who re-invest in agriculture and micro business.

### Impact of McKnight support

To date 37 MFAs and their Marketing Associations directly serve 20,000 members. In the last two years these farmers, 70% of whom are women, have increased farm incomes by over 20%, investing in family education, better living conditions, and productive assets, especially land. Many households increased food intake from two to three meals a day and diversified their farms towards high value crops.

KRC's success has spurred some NGOs to try to duplicate its approach. Banks and other financial institutions are also seeking ways to serve rural communities but find it difficult to set up cost-effective loan programs. This may offer KRC additional opportunities as it develops fee-for-service programs in agriculture marketing and starts to play a brokerage role between financial institutions and rural populations.

Medius Bihunirwa, who arrived at KRC in 2005 and now heads its Farmer Enterprise Development Unit, notes that McKnight's consistent funding over the years allowed KRC the time and space to critically review and adjust its evolving methodology. Looking to KRC's future stability, the Foundation's long-term presence and planning for end of funding encouraged KRC, in Medius' words, "To think how better to grow programs that can start a business arm to generate income."

On the few occasions provided, KRC greatly enjoyed interacting with other McKnight grantees and learning from their experiences. KRC was represented at the 2010 Tanzania VICOBA summit where presentation of its microfinance and agriculture marketing program received high praise from peers. Closer to home, KRC made contacts at a 2012 CCRP convening in Uganda that may lead to involvement in diffusion of innovations in understudied crops. This creative and collaborative NGO has a knack for developing new ways to serve the people of Rwenzori region.

### Grants

- \$13,700 awarded in 2000 (1 year grant) for planning for a microfinance program for rural entrepreneurs in Kabarole
- \$140,000 awarded in 2002 (3 year grant) for a microfinance program for rural entrepreneurs in Uganda
- \$175,000 awarded in 2006 (3 year grant) to develop rural savings and loan associations in western Uganda
- \$150,000 awarded in 2009 (3 year grant) to build the capacity of microfinance associations in western Uganda
- \$85,000 awarded in 2012 (2 year grant) to strengthen the relationship between micro financing and produce marketing in Micro Finance Associations for improved access to market opportunities for increased incomes

wind down grantmaking to Zimbabwe. The board and staff agreed that they had been left with little choice and began a careful exit in a manner that would hopefully not threaten the existence of the projects that remained. Extensions and transition grants were provided over the next two years. When Zimbabwe grantmaking finally came to a close after 15 years in 2007, McKnight had made 29 grants totaling \$2.175 million.

## **Building Internal Capacity and International Program Alignment**

Candace Nelson remembers that when she and Jonathan Otto started consulting for McKnight it took significant time and effort to build trust. With neither name recognition nor in-country presence, local organizations did not immediately register McKnight as a legitimate donor. They were leery of this unknown foundation from the United States promising support: “We had spent the first years laying the groundwork and building trust, getting the McKnight name and funds out there to places that attracted attention. By the mid-2000s, the circumstances had changed from urging people to apply to having more applications than McKnight could fund.” Between 1998 and 2007, the EAP went from receiving just 59 letters of inquiry per year to 245 (see Figure 2).

At the same time, internal administration of the program was becoming more complicated with new regulations on international grantmaking enacted after September 11, 2001. Carol Berde remembers that “accounting and due diligence was absorbing a lot of energy,” and with the continually increasing commitment to fund grassroots organizations when possible, it was time to hire McKnight’s first full-time international programs staff member. Kathy Bonfield was brought on in March 2006 as the first international program assistant. Her role was seen as the first step in adding “connective tissue” between two of the three international programs (EAP and the Southeast Asia Program).

Dan Bartholomayew, who had been with McKnight since 1995, oversaw the Region & Communities Program. He added the Southeast Asia Program to his portfolio in 2000, and took on the EAP as Kathy was brought on. The integration of international programs had long been a desire of the board; however, it proved difficult in practice. A group of board, staff, and program consultants from the three international

programs gathered in December 2005 to discuss two questions: “1. What opportunities exist for synergy and cross-program work that would strengthen the programs and benefit the Foundation overall? 2. What structure, processes, etc. are needed to get started?”

The Southeast Asia Program was launched in 1983 with a focus on refugees and sought to strategically strengthen local institutions and initiatives to improve their livelihoods. CCRP was also founded in 1983, originally as a domestic plant biology research program. In 1993, the focus shifted to support agricultural research aimed at developing countries, specifically within Latin America and Africa, where populations faced high levels of food insecurity. CCRP would go on to adopt a place-based approach focused on nine countries across the Andes and Sub-Saharan Africa in 2006 (including Tanzania), and would add another three countries (including Uganda) in 2009.

## **“To increase the capacity of grantees to do their job well requires transparent discussion and relationship building...”**

This international program “cross-talk” helped participants understand the range of program goals, strategies, and possible connections. While all three programs sought to address challenges facing the most vulnerable people, they operated using different styles and approaches. At some level, all three programs shared themes in agriculture, natural resource conservation, and building local capacity. It became clear that this initial conversation was worthwhile and the staff would work to build on existing relationships while the board considered potential strategic collaborations.

Using the cross-talk as an introduction, Dan used the first half of 2006 to take stock of the EAP with his management of other McKnight programs as a lens. Dan remembers that many of the community development approaches in McKnight’s other work were embodied in the EAP, and vice versa, but cultural differences made it harder to embody the “values based grantmaking that McKnight employed.” He continued:

“Working at the grassroots level is risky and time consuming – not clean. The power dynamic

between foundation and grantee can be out of whack. Meaningful conversations and frankness, which was easier in our domestic conversations, was much more difficult because of a fear that grantees would lose the money. Part of addressing this, which Candace and Jonathan did well, is to say, ‘we’re not here to criticize’ – to most extents. To increase the capacity of grantees to do their job well requires transparent discussion and relationship building...never to say ‘you have to do this or that,’ but you tell us what your strengths and weaknesses are.”

After travelling to the region, talking with board members and the consultants, and taking these cultural differences into consideration, Dan submitted a report to the board outlining challenges the EAP faced and suggested action items intended to better integrate it with McKnight’s values. In hiring consultants to manage the EAP’s execution in 1998, the board had agreed it was a modest program best served by broader, external expertise. After eight years, Candace and Jonathan had helped to develop a valuable program addressing local needs, funding mostly local organizations, and providing technical support when needed. Their success did not necessitate a strong hands-on management approach from McKnight; however, to strategically align the EAP within McKnight’s complete grantmaking portfolio, more active internal engagement would be necessary.

Kathy Bonnifield recalled that when coming up to speed on the program, the consultants had provided a great deal of information over the years that she and Dan could learn from. For example, by shifting grants from INGOs to local NGOs, the need for capacity building support and technical assistance emerged. There were opportunities for McKnight staff to bring clarity around the EAP’s outcomes, and also to drive programmatic direction. At their November meeting, the board agreed to strengthen internal engagement, streamline the grantmaking process, and consider a more comprehensive approach in funding local organizations. Kathy recalled this process “made everything simpler to know where things were and where they were going.”

At the same time a parallel focus was placed on building McKnight’s internal knowledge capital around international development. To date, the board and staff had relied on

external consultant expertise for guidance. As the international programs grew administratively closer, McKnight’s stakeholders wanted to gain an underpinning of the field to help broaden their perspective. As a first step, Brian Atwood (University of Minnesota Dean of the Hubert Humphrey Institute for Public Affairs and Administrator for the United States Agency for International Development from 1993 – 1999) joined a board gathering in 2006 to frame McKnight’s international work in the context of international development.

Dan explained that as McKnight’s international programs were streamlined, the team needed more than a “brief overview.” He continued, “You can have an effective program working through intermediaries, but they need to be philosophically aligned with home base.” Building on this meeting, a series of papers were commissioned to provide a better understanding of the complexities within the EAP’s current grantmaking focus: microenterprise development in Tanzania and Uganda, Integrated Conservation and Development Projects (ICPD) and related enterprise models, and sustainable agriculture.

To date, the EAP had been a gender focused grantmaking program using microfinance and sustainable agriculture as tools to advance it. These papers would set in motion an introspective process to see if a shift to focus grantmaking on the tools using a gender infused approach could be more impactful. For sustainable agriculture in particular, Dan decided McKnight needed to go directly to the people on the ground. He began planning for a fall 2008 gathering of all the EAP’s sustainable agriculture grantees. Eventually held at St. Jude’s (see profile on page 15) organic farming facility in October of 2008, 20 EAP-funded organizations participated in a three-day retreat that allowed grantees to directly share their work with peers and McKnight staff with the goal of improving the EAP’s strategic direction.

## **New Leadership and a Transformative Site**

By mid-2007 a series of changes had been implemented. Jonathan Otto became the sole EAP consultant, a list of best practices to guide the EAP’s focus were developed based on past experience and newly acquired knowledge, and new management tools were developed to better monitor real-time program status. The McKnight Foundation had also recently hired a new President, Kate Wolford, who brought along an EAP connection. Kate joined McKnight after serving

as President of Lutheran World Relief (LWR), and was first introduced to the Foundation through an EAP grant for a Uganda-based LWR program. When looking back at her experience through the lens of a grantee, Kate remembers: “I was compelled by [McKnight’s] values. They ‘walked the talk’ of respecting and supporting local leadership in place-making.”

While Kate’s focus was foundation-wide her intent was not to change priorities, but to find a way to model those values she remembered while also being close to where things were happening. She would gain a better understanding of how this could happen in the EAP by joining a trip to Tanzania and Uganda. At the summer 2007 board meeting, a number of members expressed an interest in traveling to Africa to visit EAP grantees. On February 6, 2008, McKnight board members Erika and Pat Binger, Cynn timer Boynton, John Natoli, Ted Staryk, Bob Struyk, and Dick MacFarland, and staff members Kate, Kathy, and Dan joined Jonathan, and his wife Carol in Dar es Salaam for a ten day trip to visit 26 grantees.

The trip would prove to be an important turning point for the EAP, and also a formative experience for many of the attendees. Most of the group had traveled to the region before, but few had the opportunity to get an up-close look at many projects funded through the EAP. Bob was one of the few making his first journey to Africa. He reflected on the trip:

“It is too dramatic to say life changing, but [the trip] was a broadening experience. My first grantee

encounter was a meeting in Dar es Salaam with a group of widows. I will always remember these shy frightened women who had been stripped of everything under the custom in Tanzania that widowhood meant to leave the woman bereft. It was emotional, and I began to understand what the EAP was all about. These encounters went on and on as we continued the trip to visit other projects. Suddenly there was flesh on the bones.”

Jonathan remembers seeing a transformation in board members’ understanding: “They came to see that when a \$25,000 grant to Africa – which has a high transaction cost – was carefully targeted, it make a difference not only to the direct participants but by ripple effect to so many more people, far more than a domestic grant for that amount ever could.” Erika specifically recalled being struck by the size of impact McKnight could have for such a small amount of dollars: “Realizing how much change you can accomplish with what would have been one person’s salary in the USA was transformative. Whether husbandry or crops or learning sewing, these women were providing for their whole families. They went from a shack to a house, from having nothing to having a goat or chicken, they were providing nutritious meals and education for their children.”

Pat, who had been on the original 1992 board trip, remembered the visit as a stark contrast to what they had seen sixteen years prior. “It was just an idea before,” she said, “now



Dar es Salaam, Tanzania/February 7, 2008



## Friends of Rural Advancement

*Friends of Rural Advancement (FORA) works in the Rakai district of south central Uganda to improve livelihoods through better incomes, food security, and sustainable resource management. This profile benefits from inputs by Josephine Nnabikyu who has served as Program Coordinator since FORA started in 2003.*

### Project activities

In the mid-2000s McKnight's East Africa Program shifted towards increased support to indigenous agencies and rural agricultural projects. Often this requires more risk-taking to work with younger and smaller local groups. FORA is a prime example. Its first funding from the McKnight Foundation in 2007 was a planning grant for which it relied heavily on St. Jude's Family Projects and Training Center (see profile on page 15).

With Foundation support FORA began promoting efficient rearing of chickens, including growing maize, sunflower, and other ingredients for homemade poultry feed. Influenced by the integrated approach of St. Jude's, FORA trained women to use chicken manure on crops. Later, FORA added village saving and loan associations, or VSLA, for credit to buy micronutrients, improve hen houses, and purchase a modern hatchery to serve all local chicken farmers and earn income for FORA. It also expanded to goat and pig rearing, and set up a demonstration farm modeled on St. Jude's, which offered training, farm input supply, and advisory services.

With the poultry sector on better footing, FORA shifted its focus to major crops of sweet banana and plantain, encouraging improved cultivation practices, post-harvest handling, and adding value by chipping and drying. Participants include women clients from earlier projects, plus other small banana plantation owners.

### Impact of McKnight support

Since starting with a group of 60 in 2007, FORA has directly served 1,820 women farmers. Sale of eggs, animals and crops provides an average income of about \$80 per month. These women, who previously earned close to nothing, now have incomes equal to the total average monthly household income for this region. This means they are matching their husbands' income, and in effect doubling family revenue.

In addition to the kinds of investments usually noted when women's income increases, such as providing for their children's educations and helping less fortunate relatives, FORA also reports that women are becoming more independent within their households, able to allocate their own resources, and make decisions. Without a trace of irony Josephine Nnabikyu, Program Coordinator of FORA since 2003, notes that now, "Women can even eat eggs and serve them to their children without asking permission" from their husbands. With less nagging for household money, "Husbands are thanking FORA."

Many farming ideas introduced by FORA are spreading within rural communities, such as improved chicken coops to prevent bird attacks and better banana cultivation practices. The whole region has access to FORA's commercial hatchery to buy day-old chicks, and also enjoys ready access to animal protein in an affordable, single-serving, easy-to-use container: eggs.

As funding support from McKnight ends, FORA has begun to work with a CCRP-funded research project to broaden uses of Uganda's ubiquitous banana and plantain crops. Revenue from its hatchery and demonstration farm is part of FORA's diversified funding strategy. Once in need of a planning grant from the Foundation, FORA has come full circle, providing its advice to other NGOs seeking help with project design and community mobilization.

### Grants

- \$30,000 awarded in 2007 (2 year grant) for a poultry project for women in Uganda
- \$60,000 awarded in 2009 (2 year grant) for a poultry project for women in Uganda
- \$70,000 awarded in 2010 (2 year grant) for a poultry project for women, and to strengthen village savings and loan associations in Uganda
- \$75,000 awarded in 2012 (2 year grant) to support a sustainable agriculture project on improved banana and plantain cultivation, value addition, and marketing

we could actually see programs where women were doing microenterprise. They were making cheese, and collecting hibiscus for tea – projects were up and running.” Dick, whose detailed account of the trip titled Tanzania – 10 Years Later, detailed many of his encounters with the grantees profiled in this report’s impact stories. He ended the report noting: “It is a gift to be a member of the Board of Directors of The McKnight Foundation.”

## How Did We Get Here? Impact and Value Assessment

After spending her first year taking stock of McKnight’s program areas, Kate Wolford could see that the staff was stretched thin. She observed that “we were overextending our capacity” in terms of the workload on such a small staff, and the Foundation needed to be able to “keep up with the field” in effectively managing its international programs. Soon after returning from the Africa trip in 2008, Kate hired Jane Maland Cady to be McKnight’s international program director, marking the first time that direction and leadership of the three international programs would come from someone solely focused on them. Pat Binger remembers the shift as a way “to try and make the international work more relevant to the rest of the Foundation’s portfolio.”

This process had started with the papers commissioned in 2007 and the gathering of sustainable agriculture grantees in 2008. In 2009 another gathering was held in Tanzania for microfinance grantees using a VSLA model. Grantees had positive feedback; however, building on the gatherings would be difficult without deepening the strategic focus to better include grantee empowerment and participatory collaboration as well as the staff and funding required to execute it.

Kate and Jane both agreed that excellent work was being done in the EAP to help a number of individuals in a tangible way. A lot of things were also being done right: trust was placed with people closest to the issues, grants supported not only discrete projects but leadership development and capacity building, and many local organizations were leveraging their first international grant from McKnight to gain traction with other international funders. The EAP was successfully executing exactly what had been envisioned on the 1992 board trip – providing economic benefits to women that were in turn having a positive impact on families and communities.

Having recognized the value a relatively small program could have in this vein, the board had repeatedly decided to focus the EAP’s modest resources on getting them directly to as many grantees as possible. This had been done exceedingly well; however, Kate and Jane noted that McKnight’s approach in every other area of grantmaking includes empowerment, collaboration and strategic policy reform. The Foundation believes that to achieve lasting and far-reaching impact, grantees need to work around a set of shared goals, building coalitions to address structural problems through policy work, and learning between all stakeholders, when relevant.

On one hand, the EAP had provided great value directly to women and communities in Tanzania and Uganda by sticking to the program’s founding principles for two decades. On the other, as McKnight continues to think about the focus, tools, and vision around the best ways to bring about lasting positive change, it proved difficult to make a shift within the EAP despite the meetings, papers, and grantee gatherings. This was a combination of cultural differences that made coalition-based goals difficult to identify, and a concern that any shift in funding to this approach would reduce the tangible benefits being provided to women.

While deeply moved by what he saw on the trip, from a strategic standpoint Bob Struyk summed up what had also been highlighted: “In all honesty [the EAP] was an outlier compared to McKnight’s other work.” The board and staff agreed that it was time to tackle this difficult issue, and with Africa fresh in their minds, a thorough analysis of the EAP commenced. With the help of a facilitator, they explored: Could the McKnight approach be added within the current structure and budget? Were the EAP’s clear tangible benefits enough to justify a different approach? Could the resources devoted to the EAP have a deeper impact if shifted?

Compounding factors, Jonathan Otto announced his intention to transition out of his consultant role after a nearly-20 year relationship with McKnight. Kate recalled that Jonathan was much more than “eyes and ears” on the ground. “He had effectively carried the message of women’s empowerment for McKnight, which is especially important coming from a male.” Pat Binger also noted Jonathan’s role as a steward for the board’s vision: “He would help the transfer of ideas. I saw him observe something that one grantee was doing and bring it to another grantee to have them try. He was externally helping groups in the harvesting of ideas.”

After considering these many moving pieces, two options emerged: (1) make a significant financial and human capital investment to expand the reach of the EAP and better align it with McKnight's vision, or (2) explore other structures to continue advancing EAP's goal in another form.

### **A Strategic Match: Applying the EAP Goal in a New Framework**

In part, this dilemma was precipitated by the success of the EAP. Over the previous 20 years, the EAP invested in a collection of organizations to benefit women and these grantees themselves were at a turning point. Kate Wolford explained: "As community groups get more sophisticated they move toward advocacy. They are better positioned to address the complexities of underlying problems." McKnight has been the first international funder for many local organizations that were now sophisticated groups with powerful leadership and better access to other funding sources. To fund at this level, a stronger presence would be needed on the ground and a thematic shift away from direct service and toward facilitating larger systemic change would be required. For Kate Wolford, the question became whether you build out a more robust two-country program or shift those funds from that program into another area with greater potential impact. Given her international experience, she concluded that the Foundation could do more innovative and impactful work by phasing out of the EAP and shifting the resources into CCRP.

Considering the two options, the board and senior management agreed that it was time to explore the advancement of the EAP's goal in another form. For 20 years, the EAP had placed McKnight at the forefront of international development. More importantly, EAP grants made direct and tangible improvements to the lives of countless women and their families while building the capacity of local groups to ensure the sustainability of these improvements. A large number of international funders had entered the space, and unlike when McKnight started, there was nearly universal agreement from all sectors that investing in women brought greater returns in the quest to lift people out of poverty. In addition, many of these funders now trusted local voices over external actors and to support this some were moving their program management to new offices based in the region.

There was an opportunity in another of McKnight's international grantmaking programs. In 2008, McKnight's

board made a ten year commitment to the CCRP program in order to solidify a systems change focus. At the same time, the Bill & Melinda Gates Foundation awarded the program a \$26.2 million, five-year grant to increase its scope and size. This was the first time that The McKnight Foundation had entered into a grantee relationship with another funder, and it led to a doubling of the CCRP's grantmaking and expansions in grantee support and program learning. As the CCRP program structures expanded, the staff and board began to consider how to best support and sustain the CCRP at the end of the Gates grant period in 2013.

Coupled with the considerations about how to evolve the EAP, the staff and board recognized that there was a possibility to build an authentic connection between the two programs. The EAP's legacy and commitment to women could continue by focusing gender infused grantmaking in the field of sustainable agriculture through the CCRP. The CCRP is organized around regional Communities of Practice (COP) that link agricultural scientists with NGOs and farmers through collaborative research. Two COPs in particular – the East and Horn of Africa COP that includes Uganda and the Southern Africa COP that includes Tanzania – contained a smaller-than-ideal representation of NGOs working with farmers and scientists and had been slowly trying to expand those relationships. The EAP, operating in Uganda and Tanzania (although not necessarily the same region), had access to sustainable agriculture NGOs.

In 2010, Tanzanian EAP grantees that were working on sustainable agriculture projects were invited to join a CCRP meeting in Bagamoyo. The focus of this meeting was to build bridges between NGOs, farmer groups and national agricultural researchers, with EAP grantees as clear contributors. A second CCRP gathering for Uganda-based EAP grantees working in sustainable agriculture was also planned to be held in Kampala in 2011 (due to political instability it would be postponed until 2012). McKnight staff also met with each EAP-grantee at these gatherings to explain the CCRP's framework and understand their thinking about this different system. The meetings were an opportunity for the CCRP's research-based grantees to form relationships and have an opportunity to network with EAP grantees doing work on the ground. More importantly, the EAP grantees were focused on women, an area that had not yet been a sole focal point of the CCRP.

Jane Maland Cady explained that within the CCRP there had been a “focus on gender in the early program years—including serving as an inspiration for legume related grantmaking—but sufficient dedicated time had not been spent thinking about it and how it shapes our practice in the expanded CCRP”

Discussions about the EAP prompted McKnight to think about these issues and how EAP experiences could be used in CCRP to shore up its gender awareness and practice and elevate them for longer term structural changes. The EAP had an agricultural focus with many strong women-led farming projects and NGOs. The EAP’s work with the local context would also support the CCRP to make stronger links between local NGOs and the program’s research outputs.

For Bob, the decision required “a lot of soul searching,” but ultimately, “we were no longer meeting the same needs we once had.” The landscape had changed, more funders were active in the space, and change at a higher level was now required. He concluded: “It was the right decision, just not a comfortable one.” Noa Staryk summarized the board’s difficult decision: “Ultimately it wasn’t rushed. It was thoughtful, careful, and painful. All things it should be. But it was handled respectfully, and existing grants would slowly be wound down. In the world of philanthropy, it was handled in a manner that would hold up to best practices, but it was painful and these decisions always are.”

## Reflections on a Family Foundation’s Place-Based International Program

From 1992 through 2013, The McKnight Foundation made 299 grants through the EAP totaling roughly \$20.5 million. Initially, funding focused on INGOs supporting local work; however, 204 of the 299 grants were made directly to local organizations and these groups were funded almost exclusively beginning in 2001. Most of these projects, as demonstrated by the impact stories, have positive outcomes, either directly benefiting women or raising local awareness around the key role women can play in improving communities. Reflecting on the EAP, Erika Binger explained that one of McKnight’s strengths across all programs was not necessarily looking for the “biggest and the best, but who is on the ground in touch with people making change. This is what we did in Africa; found great, solid programs with women whose hearts were in the right place to make change.”

Like any program, not all grants resulted in successful outcomes. Mike O’Keefe and Carol Berde reflected on one particular defining moment. On the 1992 trip, the group had been impressed with an organization working in Uganda. They became one of the EAP’s first grantees in 1992 and were given a five-year grant commitment. As consultants conducted due diligence, it became clear that while successful, the organization’s approach to microenterprise development heavily favored men, did not emphasize the creation of a community of borrowers and, despite rhetoric, had no intent to change. In many ways, this was a watershed moment for the EAP as the board made the difficult decision to withdraw the grant.

Carol explained that “relative to a lot of other direct service work the Foundation was funding domestically,” working in a different culture presented a new dynamic. These organizations, many which had never received external funding, “are not going to conform to the practices and expectations of an American foundation.” Instead, McKnight had to do a better job understanding the local African context and recognizing their role within it, as well as the positive and negative changes that the Foundation’s presence would bring. The board was deeply invested to this approach domestically, and was committed to doing the same in its international programs.

Jonathan Otto credits McKnight for staying true to local needs over his years consulting with the program, manifested by the willingness to stay with a community and approach long enough for the program to reach its full potential. “There is great value to sticking with ideas in the long run. The EAP started with microfinance, moved to wrap around programming, and became a holistic approach because the board stuck with it and listened to people’s needs.” Candace Nelson agreed, noting many funders would force organizations into the “impossible grant cycle – a year or two to set up the program, comply with grant terms, evaluate it, and then shut down at the end of the grant program. Suddenly the grants and funding end.” While not all grantees received long-term commitments, McKnight was willing to stick with trusted organizations doing good work.

This long-term thinking made a difference programmatically and benefited individuals directly, but it also afforded institutional changes. After multiple trips to the region, Erika Binger marveled at the power the EAP had “to create

infrastructure that didn't previously exist. [Grantees] had a spirit of pride in their accomplishments. They wanted to share, teach, and change. This spirit developed leadership and I saw growing aspirations." New leadership emerged within local NGOs and communities that will be present for decades to come, described by Kate Wolford as "one of the lasting legacies of the EAP."

McKnight's board and staff also reflected on the legacy the EAP will leave on them as individuals and as a family. Noa Staryk saw the experience of the EAP's development, growth, and ultimate transition as "very meaningful and intimate. No other program area began the same way, and its genesis was so important and compelling." To Noa, it represented the "potential of a family foundation to be connected to people." The connection was especially prescient during the 1992 and 2008 trips; two of the only times such a large group of family members had traveled together outside of the U.S.A. with such an intense mandate.

Many anecdotes from these travels will stick with the participants for the rest of their lives. On the 1992 trip, a rural community gifted the Foundation a live cow during a welcome ceremony. After deep consultation about local customs, Mike O'Keefe had to accept but was also able to gratefully gift the animal back to the entire community on behalf of McKnight. In 2008, a group of elders somehow learned that Dick MacFarland's grandchildren called him "Babu" and they called him and Bob Struyk by that affectionate title for the remainder of the trip. On that same trip, by sheer coincidence Dick learned that one of their drivers was cousin and neighbor to Alais Msemo, the guide who took him to the top of Mount Kilimanjaro ten years prior. Dick and Alais were able to reunite in person the day before departing.

There were also poignant moments. While in Kampala, Uganda in 1992, the group learned over dinner that their hotel had been the site where Idi Amin tortured prisoners. On the same trip, after a long venture deep into a rural community in search of a bee-keeper, the convoy was stopped and questioned after Cynthia took photographs of what turned out to be a military installation. Under the gaze of teenage soldiers with automatic weapons, the commander confiscated the film with a promise to mail all non-sensitive photos back to her in the U.S.A. Pat recalled that Noa and Meghan were young (ages 21 and 18) on the board's first trip, and they were struck by the

fact that when meeting women their age, most had multiple children. These women were equally struck by the fact that Noa and Meghan did not have children. It was a significant moment of shared realization that we can live in the same world but have very different life experiences.

Ultimately, and despite the deeply personal experiences had on the trips, the board and staff continued to come back to meeting the needs of the people they encountered. While there was a great deal of sadness around the EAP's transition, many found hope with what they were leaving in the program's place. Six of the ten grantees interviewed had developed strategies for organizational sustainability without any further external support, and the others remained steadfast that McKnight's early support would allow them to attract new funders necessary to continue. Noa summed up the EAP with a closing reflection: "The program shows the power of a family foundation to make a difference in marginalized people's lives."

## Conclusion

Over 20 years, The McKnight Foundation developed a flexible program funding projects that truly benefited women. At first, the results were simply putting money in women's pockets; however, there is a greater good that comes with this "deposit" – it transforms relationships. Supporting income generating activities allowed women to become facilitators of change through economic empowerment. Financial partnership in the household, purchasing power, decision-making skills, and leadership development are just a sample of the transformations that EAP grants generated. This was possible because McKnight valued the input of the women they wished to serve instead of viewing them as a homogeneous group.

For most of those two decades, the EAP was truly unique by being the only funder present in the communities that they were working, supporting projects by and for women. Even beyond rural communities in Tanzania, Uganda, and Zimbabwe, McKnight stands at the forefront of a small group of funders that made women's economic and social advancement a priority. ■

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