

WESEEHOPE ANNUAL REPORT 2018

VILLAGE INVESTORS PROGRAMME



WE SEE
HOPE



ABOUT THE VILLAGE INVESTORS PROGRAMME



WeSeeHope's Village Investors Programme (VIP) provides economic security for vulnerable children across Kenya, Malawi, Tanzania, Uganda and Zimbabwe.

Our VIP establishes village savings and loans groups in communities where there are a high number of low income households, and where there is no access to formal financial services. We teach members how to pool their money together to form a community banking system, which provides them with a safe place to save their money, take loans, and learn financial and entrepreneurial skills.

Through the VIP, members have access to loan capital with fixed interest rates that they otherwise would not have. This means they can buy produce, materials or livestock to start and grow a business, which significantly increases their household income.

We specifically designed our VIP for the parents and guardians of vulnerable children who are part of our six core programmes, and the community volunteers who run them, in order to:

- Address the recurring economic challenge that vulnerable children face - without financial security at home, long-term access to an education, basic necessities (such as food, clothes and soap), good health and safety are significantly reduced.
- Build the capacity of communities to run our programmes independently of our support - as the VIP increases opportunities to generate an income within a community, members are better equipped to identify and help vulnerable children for the long-term.

By empowering members to invest in their businesses, livelihoods and communities, the VIP dramatically improves their ability to provide for the children in their care.

Following a pilot with our project partner, ACET, in Northern Uganda, we officially launched the VIP in 2014. Since then, we have started the VIP with **20** of our local project partners, helping us to reach **17,006** parents, guardians and community volunteers, and **46,935** vulnerable children.

In 2018, we have continued working with our project partners to introduce young people who are part of our Vocational Training Programme to the VIP. With access to loans and the ability to save money, these young entrepreneurs can use their new skills to run a business more effectively and with more support.

HOW THE VIP WORKS



VIP group members attend regular meetings where they deposit money into a Savings Pot.



Loans are made from the Savings Pot to members who make a request and are approved by the rest of the group.



Using their loans, members establish or improve a business, and use the profit to pay their loan back with interest, which goes back into the group Savings Pot.



To make sure their meetings run smoothly and on time, members are required to contribute to a Fines Pot if they arrive late or break any of the rules of their group. This is then also used to build the loan capital of the group.



Each VIP group is encouraged to set up a group enterprise, the profit from which is put into the Savings Pot. This enables the group to give out larger and more frequent loans so members can grow their own businesses and thus generate more interest for the Savings Pot.



At the end of each "Cycle", which is usually annual, groups are required to have a "Share-Out". This is when the Savings Pot, which includes interest from the loans, the Fines Pot and profits from the group enterprises, is divided amongst members depending on how much they have saved as an individual throughout the Cycle.

The VIP model is self-funded and self-regulated, which builds high levels of accountability and ownership amongst its members. They are encouraged to support one another in their business ventures and during every meeting they contribute towards a Welfare Pot, which provides emergency interest-free loans for any member in times of hardship.

As part of the WeSeeHope VIP model, each group also has an Orphan Pot. This is designed to help children who are in extreme need of support in the community with food, school fees and materials, and other basic necessities such as soap.





1. INTRODUCTION

Once we have been working in a community for a year through any of our six core programmes, we introduce the VIP model.

2. FACILITATION

We train community members as Facilitators to form and develop VIP groups in their area. They are responsible for recruiting new members, training the groups in the savings and loans model, supporting them with business skills, and checking all group financial records.

3. FORMATION

We work with the Facilitator to establish VIP groups of up to 30 members.

*On average, in 2018 one VIP group consisted of **22** members who collectively care for as many as **63** vulnerable children.*

6. MANAGEMENT

Every VIP group is required to elect their own management committee:

- Chairperson
- Secretary
- Treasurer
- Security Officer
- 3 Key Keepers
- 2 Money Counters

5. EQUIPMENT

Each group is provided with a VIP tool kit (a cash box, 3 padlocks, notebooks for financial records, pens, stamps and savings bowls) to be used at their meetings.

4. TRAINING

The VIP groups are given financial and marketing training to help them run their businesses and group enterprises.

7. SECURITY

Any money in the Savings Pot that is not loaned out in a meeting, along with individual and group financial records, are locked in the cash box and secured by three padlocks, the keys for which are held by three different members.



Community Ownership - as part of the VIP model, groups require no outside investment to start saving, and they are responsible for the running of their group meetings and enterprises, ensuring the members feel a sense of ownership from the beginning.



Group Enterprises - members are not solely reliant on their individual business ventures in times of economic, agricultural or personal hardship.



Community Knowledge - as the VIP grows within a community, Facilitators can provide training to any new groups and can continue to run the VIP after we have left.



Model of Support - all VIP groups are given support by our project partner for three Cycles, but their VIP Facilitators continue to give them training and help.

HOW THE VIP IS SUPPORTED

COMMUNITY KNOWLEDGE — VIP FACILITATORS

Each group has a Facilitator who is responsible for:

- Identifying and selecting community volunteers, guardians and parents, vocational students and older children to set up VIP groups in their villages.
- Training the groups in the VIP methodology and business skills.
- Attending every VIP group meeting to monitor, encourage and advise.
- Checking all group financial records and collecting data for analysis and report writing.

DEDICATED PROJECT RESOURCE — VIP OFFICERS

Each of our project partners that run the VIP has a full-time Officer, whose responsibilities include:

- Developing the proposal, budget and implementation plans for the VIP in their communities.
- Identifying, training and monitoring the VIP Facilitators, assisting them to form the groups and helping them to run the business skills training.
- Collecting data for analysis and report writing.
- Engaging the community leadership and creating an understanding of the VIP model.

EFFECTIVE MONITORING & TRAINING — WESEEHOPPE PROGRAMMES TEAM

In order to evaluate the growth, successes and challenges of the VIP, the WeSeeHope team:

- Visit each project partner twice a year to monitor and evaluate the activities and outcomes related to the VIP.
- Run exchange visits to enable project partners to learn from one another and share best practices.
- Check financial records.
- Validate and verify the stated impacts on the lives of vulnerable children.
- Operate a centralised database where all information about each VIP group is analysed.

THE IMPACT OF THE VIP



Education - more children can attend school because their parents can afford fees, books, pens and uniforms.



Safety - children are better protected as members are able to secure their homes or build new ones all together.



Sustenance - VIP members can afford to buy food for the children in their care and fertilizer to grow produce.



Good Health - health status, quality of life and hygiene improves as group members are able to pay for medical costs and more meals.



Reduction in gender inequality - as the majority of members are female, we have seen that being part of a VIP group gives women more independence. They no longer need to rely on their husbands for money and do not have to ask permission to buy household items because they have an income and options of their own.



Long-term financial security - using their savings, members can buy "naturally reproducing assets" such as goats, cattle, hens and pigs, which provide a future economic safety net. The animals not only provide milk, eggs and manure for fertiliser, but also offspring that the members can sell. This provides an income if their harvest fails, if their business has a low-income month, or if they need emergency money for school fees and medical costs.



Confidence - members feel more informed about how to spend and invest their money, and no longer have to borrow from money lenders.



Ambition - members feel empowered by running and expanding their businesses, learning new business skills and being breadwinners of the family.



Support - VIP groups are more than just a savings group; members can also share concerns, teach each other skills, socialise, and learn about child rights and other issues affecting vulnerable children in their community.



Financial capacity to care - through the Orphan Pot, VIP groups have the capacity to support the most vulnerable children in their community.

HOW THE VIP SUPPORTS OUR PROGRAMMES



PRE-SCHOOL PROGRAMME

By being part of the VIP, the parents and guardians of children at our pre-schools can afford meals and other basic necessities, which improves the children's development, and can also pay the fees for local primary schools to continue their education.

KIDS' CLUB PROGRAMME

With an improvement in their own family's welfare by being part of the VIP, the community volunteers who run our Kids' Clubs are better equipped to identify and reach out to the vulnerable children in their communities.



CHILD RIGHTS PROGRAMME

As income generating opportunities within a community increase, the VIP helps to address the financial challenges that can cause children to drop out of school, such as parents sending them to work to earn money for the family.

CHILD HEADED HOUSEHOLDS PROGRAMME

In communities where VIP groups are running, children who are living without the support of a parent or guardian are helped through the OVC Pot.



STREET WORK PROGRAMME

Adapting the VIP to an urban environment, young people living on the streets can pool their resources together using mobile banking and invest money to build their group businesses within a safe structure.

VOCATIONAL TRAINING PROGRAMME

Once they have been trained in the likes of carpentry and tailoring, graduates of our Vocational Training Programme can take loans to buy more tools and materials to grow their businesses.



2015–2018 VIP TARGETS

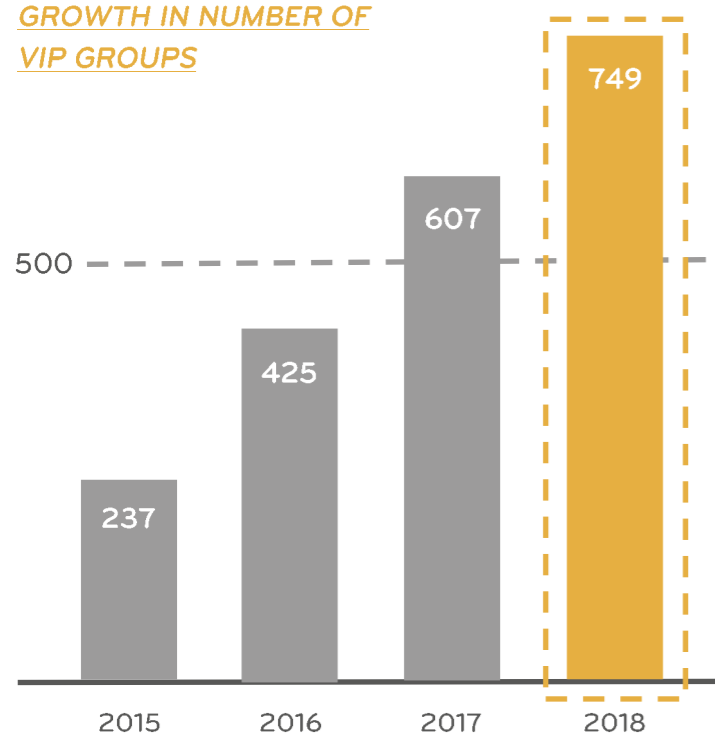
1. To roll the VIP out to 29 project partners across the five countries in which we work.
2. To establish 500 VIP groups to economically empower 15,000 VIP group members.
3. To provide support for 50,000 orphans and vulnerable children through the VIP.
4. To triple the income of VIP members so they are better able to support the children in their care.



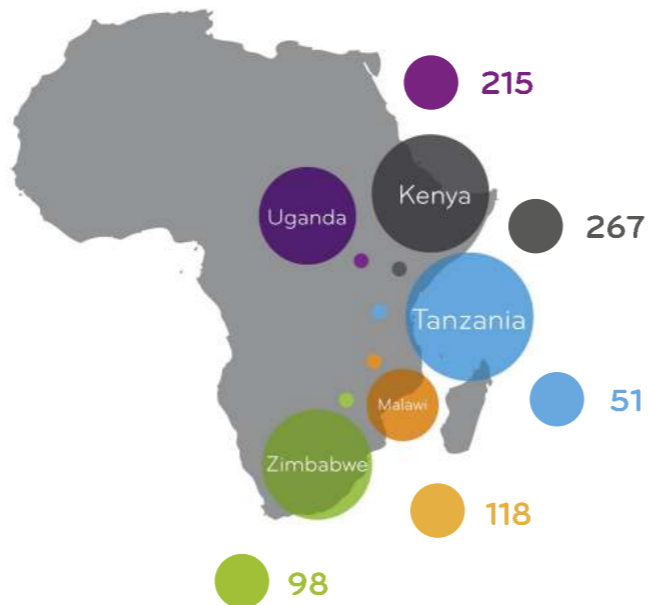
2015–2018 VIP RESULTS

20 project partners have been trained to deliver the VIP and 749 VIP groups have been created.

GROWTH IN NUMBER OF VIP GROUPS

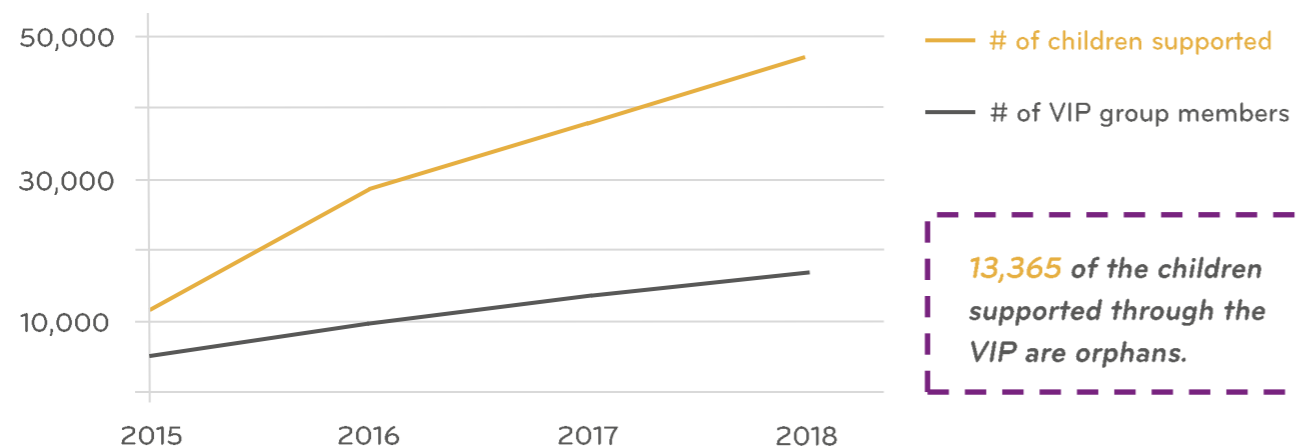


2018 VIP GROUPS PER COUNTRY



The VIP has 17,006 members who support 46,935 vulnerable children.

GROWTH IN NUMBER OF VIP GROUP MEMBERS & CHILDREN IMPACTED

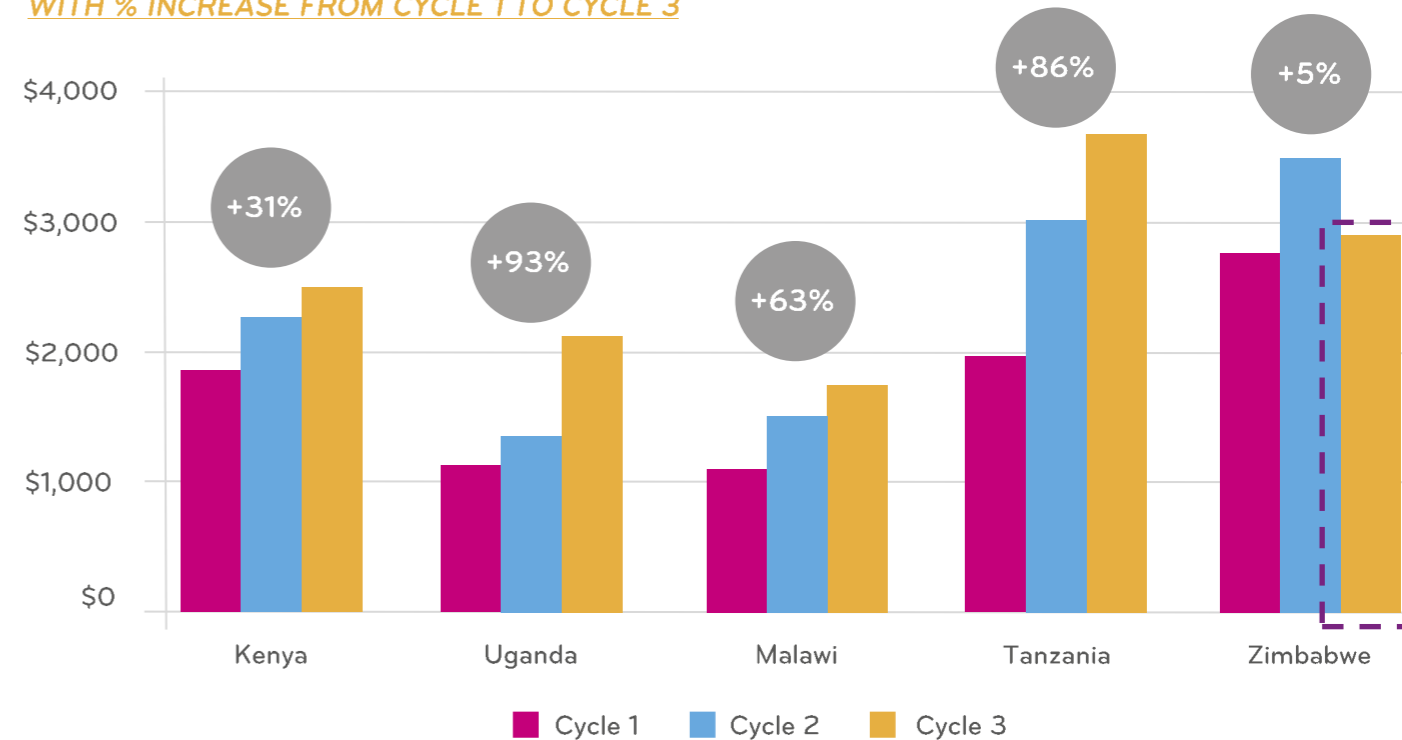


13,365 of the children supported through the VIP are orphans.

2015–2018 VIP RESULTS



AVERAGE VIP GROUP SAVINGS PER COUNTRY WITH % INCREASE FROM CYCLE 1 TO CYCLE 3



The decrease in Average Group Savings in Cycle 3 in Zimbabwe demonstrates the significant impact of hyperinflation and political unrest in 2018, but it is encouraging to see that, despite this, VIP groups are continuing to save and loan money.



Growth - Year-on year the VIP is growing and each Cycle the majority of groups have been able to save more money, and therefore this indicates individual members' wealth is increasing.



Independence - 131 of the 749 VIP groups are now running independently of our support, which means they have:

- Been set up for three or more Cycles and their Facilitator is actively involved.
- Regular and consistent attendance in their meetings and a committed leadership team.
- Accurate documentation of group savings and members are repaying their loans on time.



Support - As the VIP has developed, we have recognised the significant role that the Facilitators play in its success. Moving forward, every VIP group will be required to have their own Facilitator who is a member of the group, rather than one who has the responsibility for a number of groups within their community.

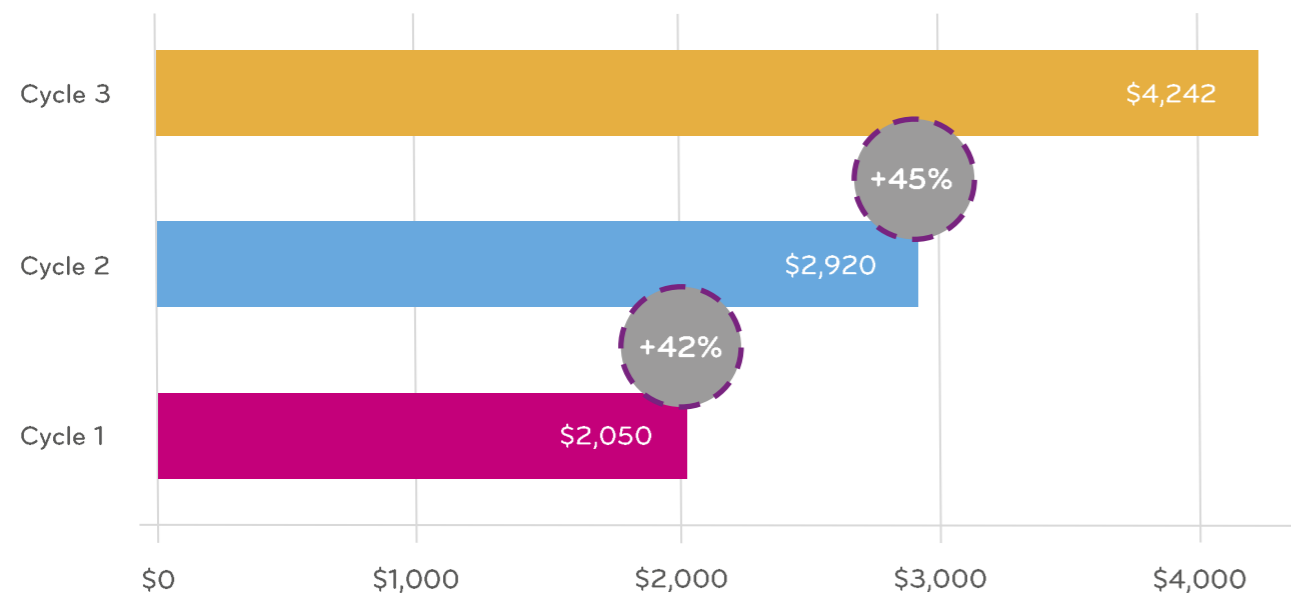


VIP CASE STUDY—RIDE, UGANDA

Through one of our local project partners, RIDE, the VIP has been running in the Kyenjojo District of western Uganda since 2014.

So far, **61** VIP groups have been created, with **1,821** VIP members who care for **4,728** vulnerable children.

RIDE UGANDA—AVERAGE VIP GROUP SAVINGS PER CYCLE WITH % INCREASE CYCLE-ON-CYCLE



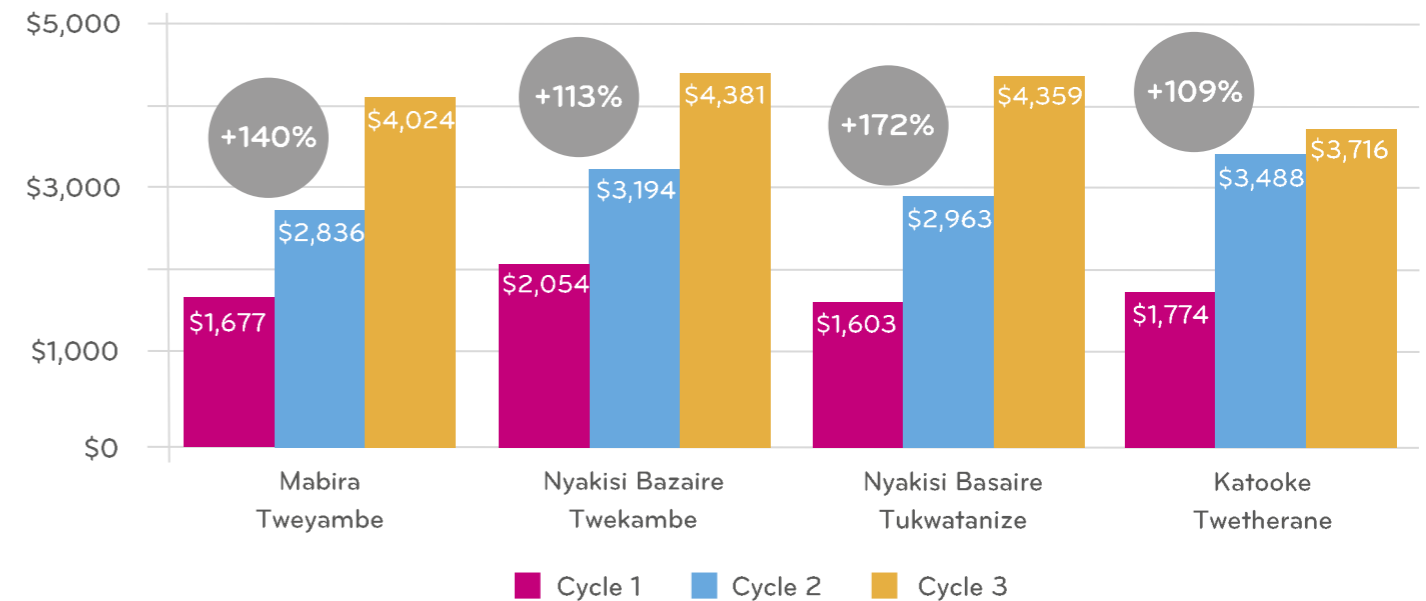
RIDE's VIP groups are using the savings and loans structure effectively because their average group savings are increasing by over 40% Cycle-on-Cycle. Combined with the fact that **19** groups in Kyenjojo are now running independently of any support, these results are indicative of strong growth in the VIP in the area.



VIP CASE STUDY—RIDE, UGANDA



GROUP SAVINGS PER CYCLE FOR FOUR VIP GROUPS IN KYENJOJO WITH % INCREASE FROM CYCLE 1 TO CYCLE 3



As with all VIP groups, in Kyenjojo group members have been encouraged and trained to set up a group enterprise. Each group is tasked with creating a strategy to run the activity and must use the profits from it to increase the loan capital in their Savings Pot.



For their groups enterprise, the Mabira Tweyambe and Nyakisi Bazaire Tweekambe VIP groups both buy sugar, salt, soap and cooking oil at wholesale price and sell them back to the members at market price.



The Nyakisi Basaire Tukwatanize and Katooke Twetherane VIP groups both grow maize, beans and potatoes as their group enterprise.



With the money generated from the group activities, the members of these four VIP groups have benefited from growth in their group savings, as shown in the graph above. Therefore, their personal Share-Out has increased Cycle-on-Cycle as highlighted in the table below.

AVERAGE ANNUAL SHARE-OUT PER VIP MEMBER FOR FOUR VIP GROUPS IN KYENJOJO

Group Name	Cycle 1	Cycle 2	Cycle 3
Mabira Tweyambe	\$55.90	\$93.04	\$132.77
Nyakisi Bazaire Tweekambe	\$68.46	\$105.02	\$143.77
Nyakisi Basaire Tukwatanize	\$53.44	\$96.71	\$142.58
Katooke Twetherane	\$65.70	\$114.15	\$121.14



VIP CASE STUDY—VOCATIONAL TRAINING



Together with RIDE, in 2018 we have been integrating the VIP with our Vocational Training Programme, which is designed to equip vulnerable teenagers with the skills to become young entrepreneurs.

In the communities in which we work, teenagers who have dropped out of school at an early age or who are living without the support of a parent or guardian, face huge challenges as they grow into adulthood. They must find ways to earn an income to survive, and without the local infrastructure or enterprise to help them, they become extremely vulnerable very quickly.

Through our Vocational Training Programme, we train these young people in the likes of carpentry, tailoring, mechanics and hairdressing, teach them finance and marketing skills, and provide them with start-up materials so they can establish their own business.

Our aim is to equip them with skills so they can earn a reliable and sustainable income. By encouraging them to become members of the VIP, we know that they can safely save and increase this income, and become part of a community that will help them to boost their business, the result of which is transformational.

16 of the young people who have completed our Vocational Training Programme with RIDE in Kyenjojo are now part of the VIP. They have joined groups that have been running for two or three years, and this is helping them to...

SAVE THEIR INCOME AND PLAN AHEAD



"The VIP group saved me from begging for money from neighbours and friends; I can now confidently plan and achieve whatever I want."

By being part of the Mabira Tweyambe VIP group, Grace* has been able to take loans to improve her tailoring business and save her profits. In her group's last Share-Out she received \$70, which is helping her to care for her four younger siblings.

VIP CASE STUDY—VOCATIONAL TRAINING



ACCESS LOANS TO BUY MATERIALS AND TOOLS

"I am grateful to the VIP group for the very low interest loans which have enabled me to grow my business within a very short time."

Constance* has gained additional capital to increase the stock in her tailoring business by taking loans as part of the Mabira Tweyambe VIP group. In their last Share-Out she received \$67, enabling her to support her eight brothers and sisters by improving their family home with bedding and utensils.

INVEST IN ANIMALS, AGRICULTURE AND LAND

"I was struggling with subsistence farming after dropping out of school and could not afford my basic needs. But after joining the VIP group, I obtained a loan and expanded my farm and have now improved my living conditions."

Through her savings as part of the Nyakisi Bazaire Twekambe VIP group, Rachel* has not only been able to expand her tailoring business but also her farm. In the last group Share-Out she received \$53.



DIVERSIFY THEIR INCOME BY SELLING PRODUCE AND LIVESTOCK



"I have been able to return my brothers and sisters to school who had dropped out due to lack of school fees and materials. I can always obtain money from my VIP group and purchase whatever they need and pay in instalments through selling my crops and with profits from my business."

Using the income she earns from her hairdressing salon, Annie* has been able to set up a second business buying and selling vegetables. Saving the profits in the Katooke Twetherane group, she can now afford to send her five siblings back to school and buy a goat and two pigs; in the last Share-Out she received \$58.

RECEIVE SUPPORT TO GROW THEIR BUSINESS

"The VIP group has restored my dignity and self-esteem because I have now been able to build my business and I was also voted to my groups' committee which has earned me more respect in my community."

David* has been able to boost his carpentry shop by learning from the experiences of his fellow Nyakisi Basaire Tukwatanize VIP group members. They have helped him to engage in other income generating activities, such as farming and animal rearing, which enabled him to buy a motor bike to transport his materials and products. In the last group Share-Out David received \$60.



In 2019, we want to ensure more young entrepreneurs like Grace, Constance, Rachel, Annie and David are building, expanding and diversifying their businesses and skills through the VIP.

*Names have been changed to maintain confidentiality.



TO FIND OUT MORE ABOUT WESEEHOPES WORK AND HOW YOU CAN GET INVOLVED, VISIT WWW.WESEEHOPES.ORG.UK.