



TRANSFORMING LIVES

2016 UPDATE

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Opportunity International is committed to delivering impactful, innovative and sustainable programs that meet the needs of people living in poverty. This update to the 2015 Social Performance Report sets out what we've learned in the past year, drawing on findings across the global network about our clients and how we are impacting their lives. It also includes learnings from research studies on our agriculture finance, education finance and community health programs.

Our research and social data provides evidence to answer questions about:

- **The Need:** Are we really reaching people living in poverty with our services?
- **The Response:** Are we meeting our clients' needs?
- **The Impact:** Are we transforming their lives?

This report provides an update on the latest social data provided by Opportunity's program partners in 2016.



Maryam, general store owner,
Opportunity Tanzania client, Tanzania

Maryam **needs** solutions to improve her situation

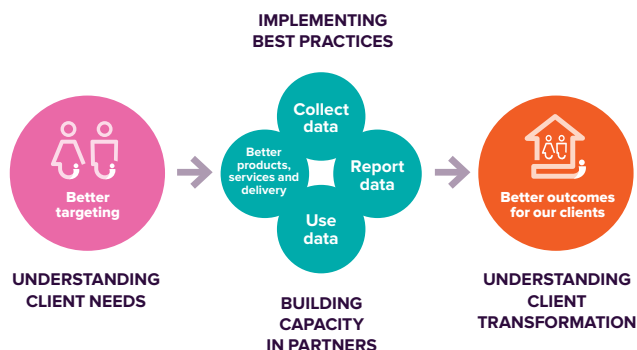
Our **response** is to offer a range of tools enabling her family to free themselves from poverty. These include:

- Small business loan
- Financial literacy training
- Savings account
- School fee loan
- Health education

This will create a positive **impact** in their lives, including outcomes such as:

- Enhanced livelihood opportunities
- Improved health
- Better access to quality education

With a hand up, Maryam's business continues to grow and she is now able to send her daughters to school.



HIGHLIGHTS

WHO WE'RE REACHING

Opportunity International's mission is to empower people living in poverty to transform their lives, their children's futures and their communities.

4 million

clients with loans

95%

of loans go to women

4.9 million

clients with savings

68%

of new clients estimated to be living below the \$2.50 poverty line (based on survey data from 15 partners, representing 83% of all clients)

14.3 million

total clients using an Opportunity loan, savings account and/or MicroEnsure insurance policy to improve their lives

67%

clients live in rural areas



Ana, shop owner, TSPI client, Philippines

HOW WE'RE HELPING

By investing in our clients and their families with financial services and training, we help people take opportunities to improve their livelihoods, health and education.

3.6 million

people reached by our health leaders in India with training to improve health and save lives



Emilee, laundry business, Opportunity Colombia client, Colombia

842,327

children benefitting from EduFinance loans

\$200

average first group loan size (USD)

3.9

jobs created with each School Improvement Loan

98.9%

loan repayment rate

MAKING PROGRESS OUT OF POVERTY

At Opportunity, we promote the use of the Progress Out of Poverty Index® (PPI) across our partners as a management tool to improve outreach to people living in poverty.

The PPI is a poverty measurement tool for businesses and organisations with a mission to serve people living in poverty. The PPI is statistically sound, yet simple to use: the answers to 10 questions about a household's characteristics (such as education level or drinking water source) and asset ownership (such as fridge or mobile phones) are scored to compute the likelihood that the household is living below the poverty line.

Using this tool, our partners can:

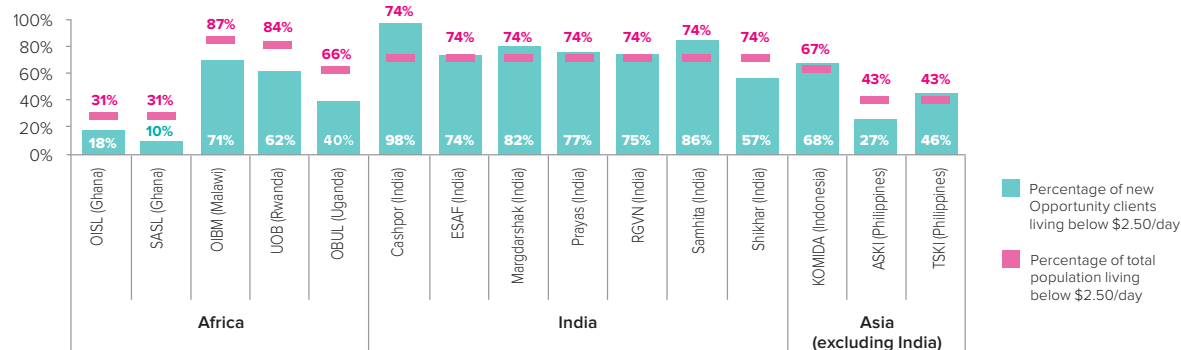
- Measure poverty outreach to understand the proportion of clients who live below the poverty line to help them answer “are we reaching people living in poverty?”
- Assess the performance of their services to help them answer “are we meeting clients’ needs?”
- Track poverty levels over time to help them answer “are we transforming clients’ lives?”

As part of our commitment to working in partnership with other organisations, we are a founding supporter of the “PPI Alliance”, a small group of networks driving future development of the PPI.



[Read more at www.progressoutofpoverty.org/](http://www.progressoutofpoverty.org/)

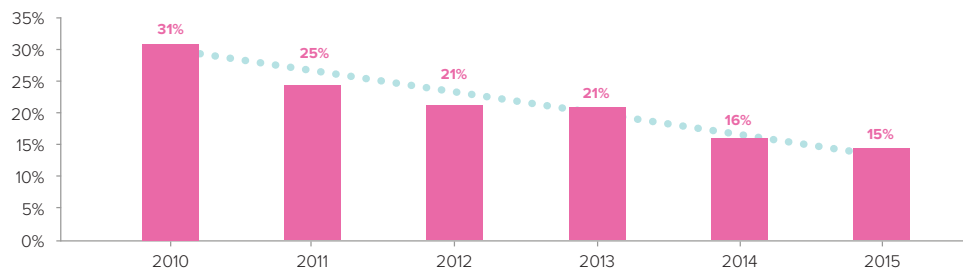
Percentage of new clients living below \$2.50/day



The latest data from 2015/16 shows our partners' outreach is generally successful in targeting poor communities and families.

Using this social data, management can make informed decisions about their services based on objective evidence that the organisation is reaching people who are living in poverty.

Clients in the Philippines show reduced likelihood of poverty over time



Our partner ASKI in the Philippines has collected PPI data for a sample of their clients over a number of years. This enables them to map the change over time for these same clients showing their progress out of poverty between 2010 and 2015.

During this period there has been a steady decline in the likelihood of poverty for those who remained clients over the six-year period. There is however, a high turnover of clients with only 1,133 of the 52,259 clients originally surveyed

remaining in 2015. This turnover could be due to a variety of reasons including clients transferring to other branches, clients becoming savers only (resting clients) or clients dropping out of ASKI membership.

SNAPSHOT:

IMPROVING RESILIENCE THROUGH SUSTAINABLE LIVELIHOODS

The microfinance loans that Opportunity's partners provide enable clients to start and grow small businesses, increasing their income over time. Given the challenges facing the communities we serve, and the complexity of poverty, it takes time for clients to build their resilience.

Opportunity promotes a range of services that support families on pathways out of poverty, giving them the freedom to choose what suits them best. We illustrate this here through the example of our agricultural value chain intervention in Uganda, Malawi and Ghana.



Mary, maize farmer, Opportunity client, Uganda

HOW WE'RE HELPING

Farmers need sustainable livelihoods to make them less vulnerable to financial shocks.

29%

of clients surveyed in Uganda had to sell assets in the last six months to provide basic needs (food, shelter, clothing) for their family

Opportunity's agricultural intervention in Africa extends beyond the provision of loans by facilitating entire agricultural value chains, connecting farmers to buyers and suppliers.

125,176

agricultural loans in Africa in 2015

22

agricultural value chains supported in crops, trees and livestock

7

countries in Africa have agriculture finance programs - Ghana, Rwanda, Uganda, Kenya, Tanzania, Malawi and Mozambique

Reduced vulnerability is an important outcome in itself, created through opportunities to build better livelihoods. An Impact Assessment of Opportunity International's Agricultural Lending Program in Uganda, Malawi and Ghana in 2013 showed that these loans had a positive impact on the farmers' lives compared to those without an Opportunity loan. It found that client farmers:

- are more **food secure**
- are better **able to pay** for the food their families need
- have **fewer hungry days** during the last pre-harvest season
- are better equipped to **pay for health care**
- **health care access** improved

[Read more at opportunity.org/knowledge](http://opportunity.org/knowledge)

Mary Makkazi is a maize farmer from Uganda with five children.

With a loan from Opportunity, Mary bought better seeds and fertiliser. She also received tools and training in modern farming techniques that have helped improve her harvest.

Mary now produces more than enough maize, and she has been able to save to build a house and send all of her children to school. She also hired someone to help her tend the land, creating a job in her community.

[Watch a video of Mary's story at spm.opportunity.org/mary](http://spm.opportunity.org/mary)

SUSTAINABLE LIVELIHOODS

A person's livelihood refers to their means of securing the basic necessities of life – food, water, shelter and clothing.



Mary and her loan officer Chantel, Uganda

SNAPSHOT:

BUILDING PATHWAYS TO BETTER EDUCATION

Opportunity recognises the pivotal role education plays in sustainable development by breaking the intergenerational transmission of poverty. Recognising this need, Opportunity has developed a suite of financial products for education called EduFinance.

This involves offering School Fee Loans to families, Schools Improvement Loans to school proprietors, support services such as savings-linked insurance, and training of school leaders. Research has shown encouraging evidence of the impact of these services.



Robinah, business owner, Opportunity client, (second from the left) and her three daughters Esther, Agnes and Deborah, Uganda

HOW WE'RE HELPING

For families living in poverty, limited access to quality education can be a barrier as big as low income.

13%

of Ugandan girls complete high school

Our clients aspire to a better education for their children despite their circumstances.

< 1%

of Indonesian clients at Opportunity's partner KOMIDA went to university

52%

of these same clients now believe their children will have the chance of attending university

Opportunity developed EduFinance as a response to this need.

1,253

School Improvement Loans, building assets and investing in learning environments

32,340

School Fee Loans

842,327

children benefitting from EduFinance loans

50%

of clients access business loans from partners who also offer education loans, making it a widely accessible tool

The Girls Education Challenge in Uganda is one example of how EduFinance impacts children's learning and their completion of high school. Results from a Midline Evaluation in 2016 show the effectiveness of our programs and points to ways in which we can improve our impact.

61% ↑

improvements in literacy for girls at schools financed by School Improvement Loans, compared to non-financed schools in Uganda

17% ↑

increase in enrolment for girls in secondary schools receiving financing compared to 0% increase in neighbouring schools

13% ↓

reduction in the instances of prolonged absenteeism for girls in Uganda benefitting from School Fee Loans, compared to those who did not access the loans

[Read more at edufinance.org/blog/2016/07/microfinance-boosts-education-for-44000-ugandan-girls](http://edufinance.org/blog/2016/07/microfinance-boosts-education-for-44000-ugandan-girls)

Robinah is a single mother with six children. Two years ago she started a small shop with a loan from Opportunity Bank of Uganda:

"Between the business and School Fee Loans, I am so happy. You can see it in my eyes. My kids are studying, we are doing well, we are flourishing. I'm hopeful their dreams of what they want to be when they grow up are achievable now."



"Because of the School Fee Loan, I am able to go to nursing school... It has brought me to where I am today. If not for that I'd be in a village digging somewhere. Because Mum got this loan we can stay in Kampala and have a better future."

Esther, 20 years old, daughter of Robinah

SNAPSHOT:

IMPROVING HEALTH KNOWLEDGE AND WELL-BEING

Each year, some 150 million people worldwide face financial catastrophe due to unexpected health expenses – and 63 million of these people live in India. A 2015 Government of India report states, “the incidence of catastrophic expenditure due to health care costs is growing and is now estimated to be one of the major contributors to poverty”.

As well as providing financial products and services that protect clients against unexpected health crises, our partners increasingly provide a range of health-related services, from health education to Water and Sanitation loans. Our partnership with Healing Fields Foundation in India has reached over 3 million individuals since 2012, leading to better access to health services and improvements in health outcomes.



Radhika, health leader and Cashpor client, India

HOW WE'RE HELPING

Access to toilets and improved water sources varies by region. In parts of India, over half the clients still practise open defecation.

1.8 billion

people globally access drinking water contaminated by faeces

59%

of the 1.1 billion people in the world who practice open defecation live in India

Over the last five years, Opportunity's partnership with Healing Fields Foundation has trained health leaders to deliver education within their communities.

2,866

women trained as health leaders



3,582,500

people reached with health education

Opportunity's health program in India seeks to improve health outcomes through greater awareness and increased access and affordability of preventative health services.

71%

of community members changed their behaviour following health training. The latest results demonstrating this include:

393,000

families accessed hospital care

2,500

health savings groups formed

14,500

toilets constructed

As an Opportunity client, Radhika was offered the chance to train as a community health leader.

Educated in illness prevention, basic first aid and nutrition, she has provided health education to hundreds of families in her community.

To make this work sustainable, Radhika earns additional income by arranging loans for toilets and clean water supply and selling sanitary napkins to prevent infection and encourage girls not to miss school during their period.

Radhika has also built a toilet in her home and planted a kitchen garden to improve her family's health and safety.



Saleha, health leader and Cashpor client, India

EVOLVING OUR STRATEGY FOR LEARNING AND IMPROVEMENT

Opportunity International would like to acknowledge and thank our long-term supporters of the Social Performance Management program, in particular the Bluehaven Initiative, The Macquarie Group and the Australian Government.

This shared commitment to learning and improvement drives data collection, analysis and reporting across our network and partners. Part of our efforts to better understand and serve our clients is our Social Performance Management program. This program consists of promoting client-focused best practices and the collection, use and reporting of social data.

We will continue to increase our commitment to evidence-based decision-making and reporting in the coming year. We will introduce performance

benchmarking based around our SPI4 reporting tool, enabling our partners to better understand and improve their performance.

We will continue to help our partners improve the quality and completeness of data collected from clients. Opportunity has successfully piloted digital data capture in India through our partner Samhita and has also invested in data visualisation and business intelligence technology that will improve data quality and enable better decision-making.

Going forward, we will combine ongoing data collection on our clients with in-depth research to ensure we continue to refine and develop innovative products and services to meet clients' changing needs. Future Social Performance Management publications will share what we have

learned across the Opportunity International Network, incorporating both our in-depth research findings alongside the breadth of social data provided by our partners.

In September 2016, Opportunity Colombia became the latest partner to be Certified in the Client Protection Principles: www.microfinanzarating.com/index.php?option=com_content&view=article&id=478%3Aopportunity-international-colombia-recognized-for-its-client-protection-good-practice&catid=40%3Anews-home-page&Itemid=59&lang=en

We will continue our commitment to best practices – encouraging our partners to become Smart Certified in Client Protection Principles and to adopt wider best practices in client-focused microfinance.



PROJECT SUPPORTERS



Australian Government
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INDUSTRY INITIATIVES



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For online publications and data sources go to:
spm.opportunity.org