

Village Impact Report

Volume 13, January — May 2023



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Letter from the CEO

Earlier this year, I traveled to Isiolo County in northern Kenya to meet some of our extraordinary entrepreneurs and see our poverty graduation model in action. In many ways, northern Kenya is at the frontlines of the climate crisis. It's an arid climate that has long been vulnerable to food insecurity, and a prolonged drought caused by climate change has exacerbated the chronic rates of acute malnutrition in the region. But despite the tremendous adversity families in northern Kenya face, our entrepreneurs are adapting to the shocks of climate change and breaking the cycle of extreme poverty.

In Isiolo, I met a business savings group of 30 women whose lives have been forever changed by the businesses they've started. Not only did they have increased incomes and savings, but their children were eating healthier and more nutritious meals. As a result, children who had been malnourished are now healthy. The business savings group that I met was named "We are stronger holding hands." It's a name that has stuck with me. It's perfect for a group of women who are working together to break the cycle of poverty, and it also speaks to one of our core beliefs—that we go further together.

At Village Enterprise, we often talk about collective action—how we can have a greater impact by partnering with governments, funders, agencies, and other nonprofits. We live in an increasingly volatile world, where families living in extreme poverty are vulnerable to the effects of climate change, conflict, forced displacement, and other shocks. It's by working with other leading experts that we can better serve our entrepreneurs and help them thrive.

Our work in Isiolo is an example of this collective action, as our poverty graduation model is at the center of USAID Nawiri (a Swahili word meaning "to thrive"), a consortium project to reduce the chronic rates of acute malnutrition. In the pages of this report, you'll find more examples of collective action we're taking—from our partnership with Mercy Corps to better serve refugees to our collaboration with Wildlife Conservation Society to protect endangered species and reduce poverty and deforestation.

But ending extreme poverty will require more than just collective action. It requires that we continue to invest in our world-class African team and provide the space to come together, learn from one another, and celebrate our impact. My visit to Isiolo was part of a larger trip to visit all of our staff in East Africa. I traveled with members of our executive team for all-staff meetings in Uganda, Kenya, and Rwanda; and our senior management team met in Kigali to discuss the big picture—our mission, vision, and strategy for the years ahead. As a result of our discussions, we've updated our mission, vision, and strategic plan. You can find our updated mission and vision on page 5 of this report.

I'm most proud of our stunning team and of our recent accomplishments. In March, Village Enterprise received a transformative \$7 million gift from MacKenzie Scott. And in early May, DREAMS for Refugees won *Fast Company's* World Changing Ideas Award for Europe, the Middle East, and Africa. On the same day that we received the *Fast Company* award, we also welcomed four new members to our Board of Directors—Ermas Eshetu, Michael Mithika, Evelyn Namara, and Alexis Rwabizambuga. All four members, along with Serah Kimani who joined our board last summer, are from Africa and live in our countries of operation. We're thrilled to have them on board to steer our organization during these pivotal years of growth, and you can learn more about them on page 15 of this report.

We're proud of all that has been accomplished so far in 2023, and we're grateful for all of you who have made our impact possible. Thank you for your steadfast support! We're excited to continue partnering with you to transform even more lives. After all, we go further together. Or, as one of our business groups in Isiolo might say, we are stronger holding hands!



Dianne Calvi
President & CEO

Performance Dashboard

Fiscal Year 2023 – Outputs to Date



10,901
businesses started



24,123
entrepreneurs trained

Fiscal Year 2022 Cohort 1, July 2021 – October 2022

Key Outputs Kenya, Rwanda, Uganda	
Newly reached villages	118
Program participants trained	7,371
Lives impacted	48,960
Training sessions provided	1,814
Businesses started	2,624
Business savings groups (BSG) established	236
% of women participants	80%

Key Outcomes Kenya, Rwanda, Uganda	
Average BSG savings at endline	\$1,980
Average increase in household savings	\$48.02 <small>(\$14.94 to \$62.96)</small>
Average % increase in household savings	321%
% Increase in consumption and expenditure (C&E)	64%
Average increase in annual per household C&E	\$141 <small>(\$219.02 to \$359.92)</small>
Average increase in weekly animal protein consumption	60.9%

Outputs to Date

Village Enterprise's poverty graduation program equips three cohorts of entrepreneurs every year to launch sustainable businesses. So far in Fiscal Year 2023 (FY23), we've equipped two of the three cohorts and are on track to have our most impactful year ever. We have nearly surpassed last year's total of entrepreneurs trained (24,595 in FY22) and we're on pace to start more than 13,000 businesses—a 60% growth over last fiscal year.

Understanding the Data

As part of the Village Enterprise poverty graduation model, three entrepreneurs join together to launch one business—except in some unique projects, such as KSEIP. Working together encourages a greater chance of success for our business owners, as well as shared responsibility and accountability.

To truly understand the impact of our model on entrepreneurs and their families, our Monitoring and Evaluation team tracks key outputs and outcomes for each business cohort. Because of the one-year nature of our program, along with our commitment to ensuring accurate data, key outputs and outcomes are available after endline data collection which occurs a little more than a year after the start of each business cycle. In the summary below, you will find key findings from our first cohort of entrepreneurs in FY22.

Summary

Households saw an average increase of their consumption and expenditure by **64% (\$141)** from baseline to endline, and **93%** of households reported feeling better off after participating in the Village Enterprise program compared to a year prior. Household savings increased by an average of **\$48 (321%)** a year after the Village Enterprise program. Participants increased the amount of animal protein consumed in their household on a weekly basis by an average **61%** at the endline. Additionally, participants saw an improvement in the value of their household assets increasing by **65% (\$237)** on average from baseline to endline.



Big News from Village Enterprise

MacKenzie Scott's Transformative Gift to Village Enterprise

At the end of March, Village Enterprise received a transformative gift of \$7 million from author and philanthropist MacKenzie Scott. As the largest single unrestricted donation in Village Enterprise's history, this gift will be a cornerstone of our work to end extreme poverty and build climate resilience for 20 million women, men, and children across rural Africa. MacKenzie Scott's gift is a powerful testament to the importance of our work, as well as a direct result of the dedication to our mission and commitment to our values of ubuntu, integrity, passion, innovation, and sustainability from all of our partners, donors, and staff. Her gift will provide us with the financial stability that is critical as we rapidly scale to end extreme poverty in rural Africa.

[Read the press release](#)

DREAMS for Refugees Wins *Fast Company's* World Changing Ideas Award

DREAMS for Refugees recently won *Fast Company's* 2023 World Changing Ideas Award for Europe, the Middle East, and Africa! DREAMS is our innovative model for better supporting refugees and alleviating poverty by combining our poverty graduation approach with Mercy Corps' expertise in market systems development. Whereas most refugee relief provides short-term support, DREAMS is a long-term solution—equipping refugees with the skills, resources, and markets to start sustainable businesses and graduate out of extreme poverty. DREAMS has the potential to transform the refugee relief and poverty alleviation sectors, sustainably empowering refugees on their journeys to build brighter futures for themselves and their families.

[Read the press release](#)

[See the full list of World Changing Ideas](#)

We've Updated our Mission & Vision

Our Mission

To end extreme poverty in rural Africa through entrepreneurship, innovation, and collective action.

Our Vision

An African continent forever free of extreme poverty.

To better capture our efforts to scale our impact through partnerships with other nonprofits, agencies, funders, and governments, we've updated our mission statement to include the words *collective action*. We've also revised our vision statement to be more Africa-focused, and we've added the word *forever* to highlight the importance of sustainability in our vision.



Scaling through Governments

Kenya Social and Economic Inclusion Project (KSEIP)

One of the most effective ways to end extreme poverty at scale is by getting governments to integrate our poverty graduation model into their existing social protection programs—and through KSEIP, we're on a mission to do just that.

The KSEIP team recently met with representatives from the World Bank, the Foreign, Commonwealth, and Development Office of the United Kingdom, the Principal Secretary of Kenya, the Ministry of Labor and Social Protection of Kenya, and the county government of Taita-Taveta, Kenya. KSEIP received praise for its coordination, quality of delivery, real-time data usage for monitoring and evaluation, and especially for its thoughtful and purposeful mentorship approach. Because of these meetings, the Taita-Taveta government has expressed interest in adopting the program, as well as prompted

further meetings with a broader team from the government of Kenya, including the National Treasury.

Over the past eight months, 3,318 business groups were established through KSEIP and over 70% of the entrepreneurs are women. Additionally, over 60% of business owners have diversified their businesses across the region. In Murang'a, there has been progress toward building strong linkages to government services and formal financial institutions for added support for our entrepreneurs. To date, KSEIP has trained 7,500 entrepreneurs—half of its initial target. We're confident that if the government of Kenya fully invests in and scales the program, KSEIP has the potential to transform the lives of millions of people—mostly women—living in extreme poverty.



Meet Mercy, an Extraordinary Entrepreneur

Seeing a need in her community and thinking outside the box, Mercy launched a creative printing business in Mbooni, Kenya through KSEIP. Starting with school uniforms, she has expanded to printing designs on everything from work uniforms to coats and ties. She has also strategically employed two members of her community as her business grows, helping them on their own journeys out of poverty.



Pictured:
Mercy, a business owner
through KSEIP, standing outside
of her printing press business.

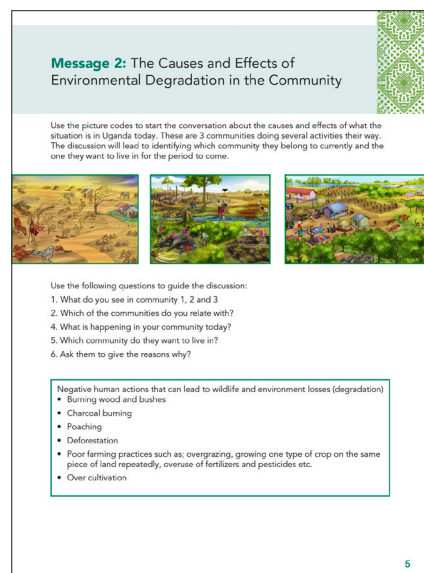
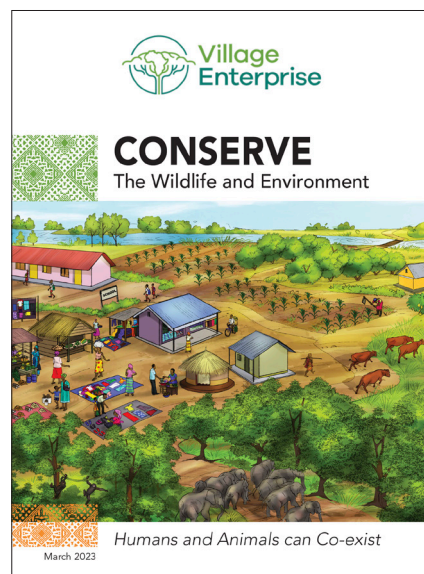


Protecting the Environment

Poverty Alleviation and Removal of Kibale Snares (PARKS) Project

Continuing our work to further conservation efforts and protect endangered species, PARKS aims to protect one of the largest remaining populations of East African chimpanzees. Funded by Arcus Foundation and implemented in partnership with the Ngogo Chimpanzee Project, we're helping rural communities launch businesses as an alternative, sustainable way to earn an income and care for their families. Two years into this three-year project, we're on track to successfully reach our targets. To date, we've trained 1,903 entrepreneurs and established 58 business savings groups, about 70% of our projected goal.

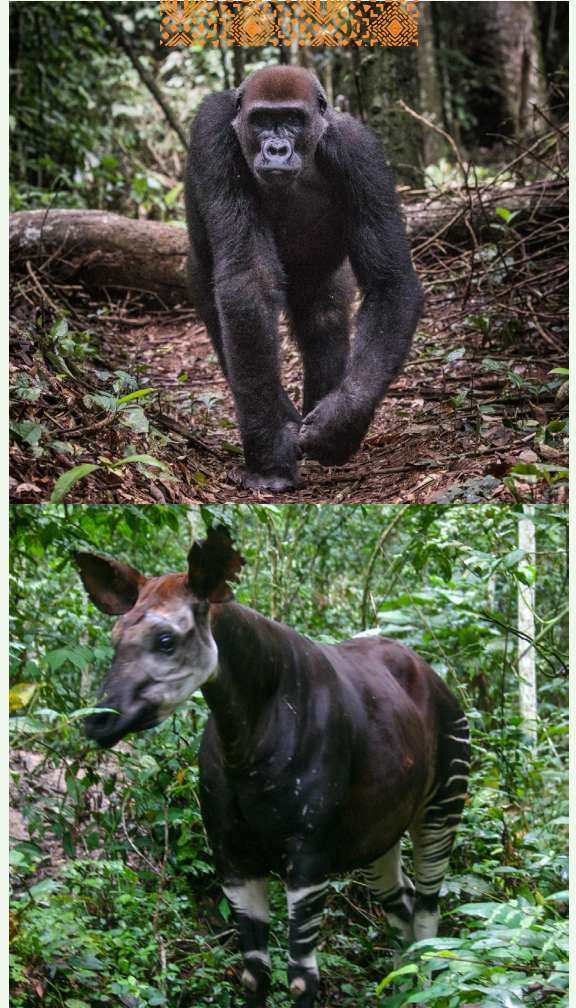
Village Enterprise has also developed a new conservation messaging tool (pictured right) to help educate our entrepreneurs on climate change, local wildlife, and environmental conservation. Used by business mentors at key points in our program, the goal is to ensure that entrepreneurs' businesses are environmentally friendly, as well as to mobilize our entrepreneurs and the community to play an active role in protecting the ecosystem in and around Kibale National Park in Uganda. The conservation messaging tool will also be shared with local stakeholders during quarterly community meetings—facilitated by Village Enterprise team members—to share key messaging and encourage continued conversations with other private sector actors in the community.



Wildlife Conservation Society

Village Enterprise and Wildlife Conservation Society (WCS) have teamed up to create a world where both people and planet can thrive. Because the remote, isolated regions of Congo-Brazzaville and the Democratic Republic of the Congo (DRC) lack economic opportunities, some people have been forced to engage in illegal hunting of gorillas or okapi (pictured right) or trades that harm the environment in order to provide for their families' basic needs. But by equipping those living in extreme poverty with the tools and resources to start sustainable businesses, we're creating new sources of income which don't rely on harming the environment or its inhabitants.

Recently, several Village Enterprise team members traveled to Nouabalé-Ndoki National Park in Congo-Brazzaville to support WCS with refresher trainings and technical assistance, as well as to conduct field visits to learn impact stories from business owners. Our team reported that despite the remote locations, businesses are thriving and it was encouraging to see the resiliency of these business owners. To date, we've launched 279 businesses and formed 21 business savings groups in Congo-Brazzaville, as well as launched 100 businesses, trained 200 entrepreneurs, and formed 10 business savings groups in the DRC.



Gorilla, ©Scott Ramsay, www.scottramsay.africa
Okapi, Courtesy of the WCS Okapi Conservation Project





Driving Climate Resilience

Women Economic Empowerment through Climate Smart Agriculture (WEE-CSA)

To equip more women in West Pokot County, Kenya with climate-smart farming skills and to help communities thrive in the face of climate change, Village Enterprise continues to partner with UN Women, the Food and Agriculture Organization of the United Nations, and the Kenyan Ministry of Agriculture to implement WEE-CSA. Funded by the Korea International Cooperation Agency, WEE-CSA provides additional education on gender equity and female leadership. The project also supplies training on climate-smart agricultural practices and mentorship from experts in the field as our entrepreneurs launch climate-smart agribusinesses. To date, WEE-CSA has trained 809 entrepreneurs and established 27 business savings groups.

Because WEE-CSA has continued to emphasize the need to create lasting change in these communities through policy reform, West Pokot County officials recently unveiled their Integrated Development Plan. This five-year plan itemizing the county's budget now includes gender and climate-smart activities that the county government will prioritize between 2023-2027.

USAID Nawiri

Funded by USAID and implemented in partnership with Catholic Relief Services, USAID Nawiri continues to expand its operations to sustainably reduce acute child malnutrition among vulnerable populations in Isiolo and Marsabit counties in northern Kenya. USAID Nawiri—which layers our poverty graduation model with additional education on nutrition and hygiene, as well as cash transfers for food consumption and medical care—has grown to require a team of 129 full-time Village Enterprise staff with 53 part-time enumerators. Because of positive results from the initial pilot, USAID has almost doubled Village Enterprise's initial target to now reach a total of 14,310 households.

Additionally, because of the region's prolonged drought, USAID approved a three-year extension of the project to reach an additional 9,990 households over the next three years, which will be implemented through 50% direct implementation and 50% technical assistance. The Nawiri team is also working with national and county government officials to explore the possibility of the government continuing to operate the program after the USAID funding ends.

Pictured:
One of our USAID Nawiri business
owners in northern Kenya holding
her newborn daughter.





Supporting Refugees

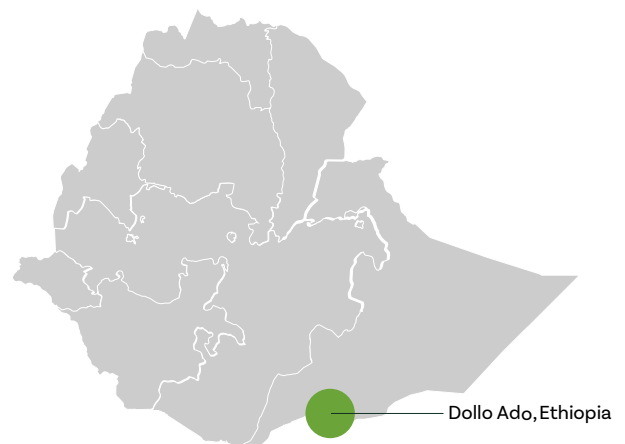
Delivering Resilient Enterprises and Market Systems (DREAMS) for Refugees

As a recent *Fast Company* World Changing Ideas Award winner, DREAMS provides a holistic, long-term support system for households living in extreme poverty within refugee settlements. By combining Village Enterprise's poverty graduation program with Mercy Corps' expertise in market systems development, refugees are equipped with the training, resources, and enhanced markets to launch their own businesses, graduate out of extreme poverty, and build stronger livelihoods for their families.

One year after initially launching DREAMS, we've started our third cycle of implementation in West Nile, Uganda, which will also be a part of a new randomized controlled trial. So far, DREAMS in Uganda has trained 3,600 entrepreneurs, launched 1,200 businesses, established 120 business savings groups, and transformed a total of 21,600 lives. We have also made great progress toward officially launching DREAMS in the Dollo Ado Refugee Camp in Ethiopia—after registering in-country and with the United Nations High Commissioner for Refugees, we're now in the final process of getting registered with Refugee Returnee Services, as well as setting up administrative operations. As of May 1, we have established an office and hired a team of staff who will begin targeting households to join our program starting at the end of June, with the first businesses expected to be launched at the end of September.

Scaling DREAMS for Refugees

On top of launching operations in Ethiopia, we have also continued to have productive meetings with Mercy Corps about expanding DREAMS to new locations across Africa. As we are nearing the end of a six-month workshop series facilitated by The Bridgespan Group, we're actively in the process of identifying potential new countries and regions (including regions of countries we already work in, such as the highlands of Ethiopia), as well as securing funding to support this expansion.





Innovating Digital Solutions

DreamSave

At the end of 2022, we started working with DreamStart Labs to pilot DreamSave—an app which also recently won two *Fast Company* 2023 World Changing Ideas Awards including Best Finance App and Best Developing World Technology! DreamSave is an innovative way for our entrepreneurs to digitally track their business savings group records using their smart phones instead of paper books. The DreamSave app enables our entrepreneurs to keep accurate savings records, set projected business savings targets, assess loan eligibility, and check on their progress to repay loans or reach financial goals in real time. Not only does this safely store their records on the cloud, but it helps our entrepreneurs build a credit record. The lack of an ability to develop a credit record has been an obstacle for rural business owners to secure loans from formal financial services, but through DreamSave they're able to demonstrate their financial history and reliability, allowing them opportunities to grow their businesses if desired. We are currently piloting the DreamSave app across 12 communities in Kenya, Uganda, and Rwanda and discussing the potential of implementing this application in other areas of operation.

Digital Solutions in the Pipeline

The next phase of digital solutions includes growing the partnership with DreamStart Labs and scaling the use of the DreamSave app in our business savings groups. Village Enterprise is also

making plans to extend access to the business training videos for our entrepreneurs beyond their initial training sessions, as well as exploring the possibilities of using a digital ledger system for our entrepreneurs to keep digital business records for their businesses. This system would be similar to DreamSave but for business records rather than business savings group records.

Mobile Mentoring

Village Enterprise has officially begun to incorporate more mobile touch points between entrepreneurs and their mentors through cell phones. This not only saves time and resources—especially in remote and hard to reach villages—but provides a flexible approach to mentoring that is able to cater to the needs of each business group.





Looking Ahead

Healthy Brains Global Initiative (HBGI)

Even though the civil war in Uganda ended in 2008, the severity of its impact is still felt today. Over 100,000 people were estimated to have been killed during the war and another 60,000-100,000 are speculated to have been abducted by the Lord's Resistance Army. People who were children during the conflict are now adults dealing with the societal, emotional, and economic aftermath—all of which are factors that contribute to unemployment and extreme poverty. To support these communities in northern Uganda to build stronger livelihoods and futures for their families, HBGI and Village Enterprise will be implementing a results-based funding project as part of the Outcomes Fund for Africa. This project is designed to lift households out of extreme poverty while improving mental health through targeted interventions provided by StrongMinds. HBGI has selected the Outcomes Fund for Africa as their headline project and is currently in the process of raising the \$17.2 million needed for the outcomes funding, enough to cover operations for five years. The project is on track to start in early 2024 and will support 64,500 entrepreneurs to launch 21,500 businesses.

World Bank Gender Lab Initiative for Women's Empowerment

Empowering women is at the core of Village Enterprise's poverty graduation program, and we want to ensure we're implementing industry best practices—and raising the standard of care—at

every level of programming. To support this, Village Enterprise recently joined an initiative facilitated by FinEquity within the World Bank Gender Lab. The goal of this initiative is to create a set of harmonized women's empowerment indicators that can be used to help stakeholders understand the outcomes of livelihood programming on women, how these outcomes are being achieved, and to identify what works and what does not work in promoting women's empowerment through livelihood programming. Following an almost year-long learning process, a theory of change was developed by FinEquity—together with the Center for Global Development, Data2x, and a core group of advisors—along with a core set of indicators to measure women's empowerment.

Starting in May, Village Enterprise will support field testing of these indicators in Kenya through our team of enumerators and monitoring & evaluation (M&E) staff. Our field work will help to improve how the indicators are applied, identify measurement challenges, and further refine the indicators. Upon final validation and roll out of the indicators, Village Enterprise plans to incorporate them into our M&E system. In this way, we expect to be able to track and compare over time, as well as across interest areas, progress to improve women's agency. We will additionally use our findings to contextualize our results within the larger evidence base across all organizations who are adopting and reporting on these indicators.



New Board Members

As we continue to rapidly scale our work and impact in Africa, we have added five new dynamic African leaders to our Board of Directors. We are thrilled to have their industry expertise, passion for eradicating extreme poverty, and personal insight into our work in Africa to guide Village Enterprise in our next phase of growth.



Ermias Eshetu
**CEO of Financial Sector
 Deepening (FSD) Ethiopia**
 Based in Ethiopia



Evelyn Namara
**Senior Partnerships Manager
 & Researcher at the Global
 Digital Inclusion Partnership,
 Founder & CEO of Vouch**
 Based in Uganda



Serah Kimani
**Founder & Managing Partner
 of Ascend Group**
 Based in Kenya



Alexis Rwabizambuga
**Managing Director at
 TestandCare Medical
 Technologies Ltd.**
 Based in Uganda



Michael Mithika
**CEO & Founder of Mizizi
 Partners**
 Based in Kenya

To get to know our new board members,
[read our announcement](#)

For our entire Board of Directors and Advisors,
[visit our website](#)



New Staff Hires

Ethiopia

Mohamed Omar, *DREAMS Project Manager*

Kenya

Ambrose Awosho Ajiko
 Diramu Gollo Ali
 Millicent Khanguha Ambenge
 Jackline Chebures
 Adho Anastasia Damballa
 Marcus Muturi Gaitta
 Hawo Ibrahim
 Lylianne Sabdio Jirm
 Eva Wanjiru Kigo
 Meshach Ltunguran Lengees
 Bati Kurufa Mamo
 Jane Morogo
 Judy Njoki Nduati
 Josephine Murugi Ndwigah
 Belinda Awuor Ongadi
 Fredrick Ochieng' Otieno
 Faith Chebet Too
 Sharon Auma Wanjala

Rwanda

Muhakwa Andre
 Tuyihimbaze Marie Claire
 Kakuze Esther
 Nkundwamfite Gratien
 Niyonshima Nathalie

Uganda

Tom Akuma
 Eyotaru Annet
 Daniel Bonny Anyal
 Albert Atama
 Rwebembera David
 Amos Ekeu
 Odok Francis
 Drani Godfrey
 Onyiru Peace Josline
 Zalika Leyila

USA

Lisa Allen, *Marketing and Communications Manager*
 Mayya Belova, *Executive Assistant and Office Manager*
 Abdi Debela, *Chief Financial Officer*
 Talley Diggs, *Director of Grants*
 Melissa Tomlinson, *Director of Philanthropy*
 Hallie Tucker, *Development Coordinator*

New Staff Spotlight

Abdi Debela, Chief Financial Officer

Abdi Debela joined the Village Enterprise team in January as our new Chief Financial Officer. A licensed CPA, Abdi has more than 25 years of professional experience in finance, accounting, and auditing in the international nonprofit, government, and private sectors. Abdi comes to Village Enterprise after serving as the CFO of Water for People. She holds a BA in Accounting from Addis Ababa University, Ethiopia, an MBA from Vanderbilt University, USA, and a Chartered Global Management Accountant (CGMA) designation. She is based in Denver, Colorado.



All-Staff Days & Leadership Retreat

In February, Village Enterprise gathered together for all-staff days in Uganda, Kenya, and Rwanda to reflect on our mission and core values, celebrate a year's worth of hard work, and have some fun! Following the all-staff days, the senior leadership team met in Rwanda to discuss our mission, vision, strategic plan, and theory of change. We're excited to continue growing and scaling our impact, keeping our entrepreneurs' best interests at the heart of everything we do.







In the Press

Interested in reading more? Click the article titles below!



Interview with Dianne Calvi of Village Enterprise
Real Leaders Podcast – May 17, 2023

DREAMS for Refugees from Village Enterprise and Mercy Corps Wins Fast Company's World Changing Ideas Award
PR Newswire – May 2, 2023

A \$7M Gift from MacKenzie Scott Will Help Village Enterprise End Extreme Poverty for 20 Million People in Africa
PR Newswire – March 29, 2023

Recommendations for Designing and Delivering Government-Led Graduation Programs for People in Extreme Poverty
BRAC UPGI – February 22, 2023

Brief: Designing and Delivering Government-Led Graduation Programs for People in Extreme Poverty
PEI In Practice – February 22, 2023



Designing and Delivering Government-Led Graduation Programs for People in Extreme Poverty
PEI In Practice – February 22, 2023

The Future of Results-Based Funding, Part Two: What to Keep
The Center for Effective Philanthropy – February 21, 2023



The Future of Results-Based Funding, Part One: Adapting to a New Normal
The Center for Effective Philanthropy – February 14, 2023

Year One of DREAMS: A New Model for Building Opportunity
Mercy Corps – January 31, 2023

A Review of Outcomes-Based Financing in 2022 and Beyond
Brookings – January 9, 2023

Social impact bonds satisfy philanthropists' aims
Financial Times, October 23, 2022



To Build Sustainable Livelihoods, There's No One-Size-Fits-All Approach
Devex – October 17, 2022



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