



WOMEN'S
MICROFINANCE INITIATIVE

Building
Assets to Better Lives

wmionline.org

2013 ANNUAL REPORT



Message from the President

Reflecting on the past year, and my recent five-week trip to visit WMI loan hubs in all three countries we serve: Uganda, Kenya and Tanzania, I am so impressed by the financial and operational strength of our programs. A core component of WMI's vision is to create operationally and financially self-sustaining community based organizations (CBOs), thus reducing regional dependence on third-party international aid. Our long term goal is to create self-sustaining CBOs capable of self-managing the loan and transition to independent banking programs. Three of our programs have now reached "sustainability" – their loan funds are fully capitalized, they are operationally self-sufficient, and they are capable of self-managing the transition to independent banking programs. Three additional hubs will reach that milestone during 2014.

Rather than following a top-down approach to alleviating poverty, WMI has developed a bottom-up approach to changing the economic paradigm. With a small loan fund and a well-defined path to integrate women into the formal economy, we have created the environment for long-lasting social and economic change. This is only possible because WMI is patiently committed to developing human capacity at the village level so that rural women can operate the loan programs.

From day one, our model puts the responsibility for "owning" the program in the hands of the women we serve. They set up a community-based organization (CBO) to run the program. They create their own by-laws and determine their own leadership structure. We train the leadership in how to manage the program and provide the structure and materials necessary to make it a success, as well as the on-going guidance the women need to become strong and effective program managers. The critical success factors include strong local leadership and an active CBO to operate the program and make improvements as it expands to serve increasing numbers of villages. WMI loan hubs take pride in their programs and present a positive role model to the community. They have found that an efficient, credible village-level program generates enormous demand for their services among rural women. WMI's two year cycle of service allows the vast majority of women enough time to develop sustainable businesses before graduating to independent banking.

Another of WMI's goals is to catalyze structural changes in the way institutional banks deal with rural women. Thus, I am very pleased to report that our partner bank, PostBank Uganda, inspired by WMI's work, test marketed a group loan product for rural consumers this past summer and is rolling out a village-level MF product for all Uganda this year. They credit WMI with being the impetus that propelled them to focus on improving financial inclusion for village populations – and so far 80% of their rural customers are women. Why is this important? It means that the commercial banking sector is beginning to realize it is overlooking a viable and valuable sector – one that is integral to the country's long-term growth and stability. It means improved opportunities for rural women. And for WMI, it strengthens our business model of providing the training, credit and support women need to start successful businesses, but then allowing regular market forces – regulated commercial banking - to take over once the women are prepared to participate in the formal economy.

Our third goal is to empower rural women to become advocates for themselves and their communities - to improve their executive management skills and business acumen so that they are effective local leaders. This year we concentrated on transferring much of the day-to-day operations for all of East Africa to our Buyobo, Uganda based leadership. With the help of the resident WMI Fellow they are now coordinating all program operations. This means that our work is now mainly focused on program expansion, fine-tuning operations, and introducing more sophisticated concepts and controls to improve program operations.

Robyn Nietert

Program Highlights

Fostering the Next Generation of Female Entrepreneurs

This year WMI pioneered a weekly after-school Girls Entrepreneurship program for 12-15 year old girls within Buyobo. The program utilizes participatory games and activities to introduce concepts about leadership, self-concept, social entrepreneurship, and business development. The aim is to develop a cadre of empowered young girls who have the skills, confidence, and audacity to look critically at issues facing their families and communities. The Entrepreneurship program complements the WMI course on sexual health designed to empower and educate young teenage girls on healthy behaviors and responsible life skills, especially those having to do with pregnancy, sexually transmitted infections, and HIV/AIDS.

In addition to creating a culture of youth entrepreneurship, we believe that this Girls Group will amplify WMI's cross-generational impact. Many of the girls within the group have mothers, sisters, and aunts who are borrowers within the WMI loan program. By presenting topics about value addition, customer relationships, and innovation, we hope that the girls will become more involved in their families' businesses and aid their elders by putting into practice the information they've obtained in the program. In 2014, the girls want to put their skills to use by launching a turkey business.

Cervical/Breast Cancer and HIV Education and Screenings

Working in partnership with RAIN-Uganda, a local non-profit that offers mobile medical services, WMI has piloted cancer screenings and education at four of its loan hubs. The hubs organized and publicized day-long testing for cervical/breast cancer and HIV/AIDS. Over 800 women were screened, along with some of their partners who accompanied them. The education component emphasizes the need for repeat screenings. The women who tested positive for cancer and/or HIV were referred to local hospitals/clinics for follow-up. WMI is seeking funding to expand the screenings to 5 more hubs in 2014.



Prototype Water Project – WENDO

Many women in rural Kenya do not have access to water in their homes. To address this problem WMI is helping to launch an innovative home water tank project. The water tank program makes separate loans available to women in the WENDO managed WMI Loan Program in Central Kenya. The first loan enables women to construct water tanks on concrete pads. The second loan allows them to install pipes to bring water directly to their homes from the local water station. Women access the water project loans in the same support groups they are members of for their WMI business loans.

There is a critical lack of water in rural villages throughout Central Kenya. The water project is responding to the desperate need in a way that is sustainable. As loans are repaid the funds will be recycled to new borrowers. The ability to access water in the home will substantially improve the living standards for these women and their families. Transporting water from distant sources is generally a woman's job – it is time-consuming and exhausting work. Elissa Eva, WMI's NGO partner in the Ntumburi and Ngaredare hubs, raised the funds for the water project and provides extensive field support in Central Kenya.

Infrastructure Development

WMI was able to fund the construction of a meeting pavilion in Buteza, Uganda and an office/community meeting hall in Atiak, Uganda. The Atiak building was funded partially by the Towards Sustainability Foundation and Local Women/Global Mission. These facilities provide shelter from inclement weather – the hot sun and the torrential rain – and a secure location to store records and supplies, as well as a central meeting location and increased visibility for program activities. The structures are a much-needed resource for the villages as they can be used for community activities.

Leadership Training Conference

In April, the leadership of the eight Uganda Loan Hubs gathered in Mbale for WMI's first annual conference, which included ladies who travelled for two days to attend the event. Panels were held on a diverse array of topics including leadership, women's empowerment, budgeting, reporting, and loan hub challenges/opportunities. Among the panels were presentations on advanced enterprise operations.



2013 Program Accomplishments

Hub Loan Fund Numbers

- This year WMI almost doubled in size, adding over 1,850 new borrowers (4,250 in total) and issued 4,900 loans amounting to \$707,000, at an average of \$150 per loan. To date WMI has issued 11,000 loans totaling \$1.6 million.
- WMI assisted 11 additional groups of women in their transition to independent banking in Uganda, providing them support and working with PBU to ensure a smooth graduation to the formal economy. Thirteen groups moved from the transition program to fully independent banking, bringing the total to 1,060 graduates of the WMI loan program.
- WMI continue to expand the loan program quarterly, adding 40-60 borrowers quarterly per loan hub. A total of 1,850 new borrowers joined the loan program.
- Three hubs have now reached “sustainability” and no longer require WMI’s financial support. Their loan funds have been fully funded to support 16 borrower groups and the hubs generate sufficient income to cover operating expenses.
- Expansion-wise, WMI added 4 new village hub locations. In January, operations began in **Buputo, Uganda** under the auspices of the Matuwa Microfinance Women’s Group, and also in **Ngarendare, Kenya**, in conjunction with the Naibala Self Help Group. In April, **Tloma, Tanzania** was added under the leadership of the Tloma Community Organization, a sister program to the Alailelai, Tanzania program and **Keveye, Kenya** (Jelnarmah Self Help Group) began as a sister program to the Shikokho, Kenya program.
- WMI funded construction of meeting pavilions at two loan hubs so borrowers can meet out of the sun and rain and have a secure location for program operations. We thank Toward Sustainability Foundation for their support of the Atiak pavilion, as well as Hannah Kahl and Local Women/Global Mission.



Training

- WMI sponsored a two-day Advanced Business Training session for WMI's 25 member staff in Buyobo - this staff manages the rural loan program partners throughout East Africa. The event introduced and solidified business concepts that are fundamental to ensuring entrepreneurial success within the WMI Loan Program. The session was conducted by a local non-profit: MAPLE Microdevelopment.
- WMI continued to train new trainers among the village hub locations to support new loan groups, reducing the need for Buyobo staff to travel to remote locations to conduct training.
- The WMI Fellows resident in Buyobo established a "Girls Group" in Buyobo and held two ten-week programs designed to empower and educate young teenage girls on healthy behaviors and responsible life skills, as well as entrepreneurship skills.
- WMI hired and trained a village woman as bookkeeper/records manager in Buyobo to automate financial data using QuickBooks and to develop and monitor accurate operating budgets for the hubs. We conducted on-going sessions in Excel for staff and borrowers.
- WMI Resources Fellow Liz Mooney completed her term and was succeeded by Melissa LaReau. The Fellows have provided critical support in documenting procedures, problem solving, supervising interns, training, and leading the Girl's Group.

Interns

- WMI sponsored 20 volunteers in the US and Uganda this year, including 11 summer interns in Buyobo from Walt Whitman High School in Bethesda, MD.
- Four college interns spent the summer in Buyobo, Uganda and Shikokho, Kenya working in the WMI loan program offices. In addition to general office work, computer training, and budget development, the interns continued survey work, developed videos, pictures and stories of the borrowers, and updated the blog.
- A very talented group of 6 college interns worked in Bethesda to compile and analyze survey data. They restructured WMI's presentation of loan program impact information and developed Loan Impact Fact Books that consolidate information into country-wide reports, analyzing regional trends. The WMI website was reorganized in conjunction with the project.
- The Whitman Interns completed several innovative clean water initiatives, including installing gutters and rain water collection tanks and a bio sand water purifying tank.



Major Funding Support

In 2013, WMI raised close to a quarter of a million dollars for village women of East Africa through many generous grants and donations. Special recognition goes to the following:

Foundations and Corporations

Boeing Corporation
Expedia, Inc.
The Greater Contribution
International Monetary Fund Civic Program
Paypal Giving Fund
Toward Sustainability Foundation
Local Women/Global Mission

NGO Program Partners

Judy Lane and the Alailelai Massai Sustainability Organization (Alailelai and Tloma, Tanzania)
Hannah Kahl and Local Women/ Global Mission (Atiak, Uganda)
John and Joyce Wanda and Arlington Academy of Hope (Bududa and Buputo, Uganda)
Childcare Development Organization (Gulu, Uganda)
Mpambara-Cox Foundation (Kabale, Uganda)
Barbara Wybar and the Bududa Vocational Centre (Konokoya, Uganda)
Elissa Eva (Ntumburi and Ngarandare, Kenya)
Sally Kelly and Chevy Chase Presbyterian Church (Shikokho, Kenya)

Individuals through Combined Giving

Combined Federal Campaign (under the auspices of Aid for Africa)
Global Giving
IMF Helping Hands Program
Network for Good
Rice University microfinance club
Walt Whitman High School (Bethesda, MD) summer interns
WMI 500
World Bank Community Connections Fund

This year individuals contributing over \$1,000 to WMI increased, reaching well into the double digits. We are extremely grateful for all donations, and especially thankful to those who supported WMI in such a generous way. WMI is managed by a volunteer group of professional women. Donors can rest assured that their financial contributions are not supporting large salaries for US staff.

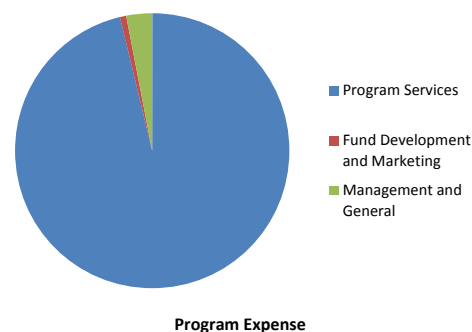
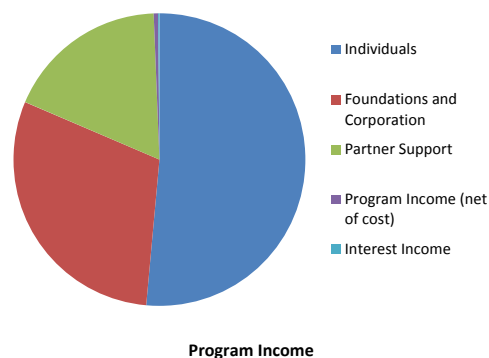
WAYS TO SUPPORT

Make a tax-deductible donation online at www.wmionline.com or send us your check payable to Women's Microfinance Initiative to PO Box 485, Cabin John, MD 20818.



Financial Report

	2013	2012
REVENUES		
Individuals	\$ 127,019	\$ 122,363
Foundations and Corporation	\$ 74,005	\$ 135,382
Partner Support	\$ 44,298	\$ 9,263
Program Income (net of cost)	\$ 1,198	\$ 629
Interest Income	\$ 360	\$ 471
TOTAL	\$ 246,880	\$ 268,108
EXPENSES		
Program Services	\$ 284,779	\$ 183,094
Fund Development and Marketing	\$ 2,199	\$ 2,190
Management and General	\$ 9,012	\$ 9,153
TOTAL	\$ 295,990	\$ 194,437
NET INCOME/LOSS	\$ (49,110)	\$ 73,671
ASSETS		
Cash	\$ 147,344	\$ 207,300
TOTAL ASSETS	\$ 147,344	\$ 207,300
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ -	\$ 10,846
TOTAL CURRENT LIABILITIES	\$ -	\$ 10,846
NET ASSETS, UNRESTRICTED	\$ 147,344	\$ 196,454
TOTAL LIABILITIES AND NET ASSETS	\$ 147,344	\$ 207,300



Treasurer's Report

2013 marked a transition year in WMI funding as increased individual giving (CFC, World Bank, IMF employee giving programs) and partner support reduced reliance on corporate and foundation support. Our new programs in Kenya and Tanzania are supported on a significant cost sharing basis with our NGO partners. Individual contributions provide 52% of revenues, foundations 30%, and partner support 18%. WMI continues to actively seek all forms of financial support.

Program Services increased dramatically (56%) as three new hubs started operations and the hubs that began in 2012 reached full ramp-up (2 new borrower groups added each quarter.) Of the \$284,779 granted, \$222,001 was allocated to hub loan funds, \$7,570 to our Bank Guaranty Fund, \$27,065 to Local Operations (Training and Oversight), \$24,357 to meeting shelters and community buildings, and \$6,785 (raised by Elissa Eva) to a special loan fund for borrowers to purchase water tanks in Ntumburi, Kenya. WMI began to draw down reserves it had set aside to fund the increased grant expense.

Management and General Expenses continue to run under 3% of expenses and Fundraising expense is less than 1%.

Deborah Smith
Treasurer

WMI Program Leadership

US Leadership Team – Operations Committee

Robyn Nietert, President
Deborah Smith, Treasurer
June Kyakobye, Board Member
Kathryn Staudaher, Office Manager

Country Specific Operations Support for US Leadership Team

Sally Kelly – Western Kenya
Elissa Eva – Central Kenya
Judy Lane – Tanzania
Anita Mpambara-Cox – Southwest Uganda
Nick Smith - Southwest Uganda
Hope Okeny – Northern Uganda
Hannah Kahl – Northern Uganda
John and Joyce Wanda – Eastern Uganda
Barbara Wybar - Eastern Uganda

WMI Buyobo Leadership – East Africa Operations Management

Olive Wolimbwa, Program Director
Jackline Nagudi Namonye, Assistant Local Director and Head Trainer
Phoebe Irene Wetaka, Head Coordinator

Program Leadership Uganda

Evelyn Achieng - Karin Women's Group (Gulu)
Sylvia Akello - Blessed Women's Association (Atiak)
Betty Bigala - Bududa Women's Development Group (Konokoya village, Bududa)
Hope Kazahura - E. Lushaya Women's Group (Kabale)
Jennifer Khawoya - Matuwa Micro Finance Women Group (Buputo)
Winnie Kyakuha - Buseesa Community Development Centre (Buseesa village, Kibaale)
Naomi Muganwa - Mayi Agiri Women's Economic Development Group (Bududa)
Olive Wolimbwa - Buyobo Women's Association (Buyobo)

Program Leadership Kenya

Felistus Amgun - Jelnarmah Self Help Group (Keveye)
Mary Gakii - Wendo Self Help Group (Ntumburi)
Pamela Naitetoi Kilua - Naibala N. N. Women Group (Ngarendare)
Jennifer Musanga Miheso - Shikokho Chanuka Women's C.B.O (Shikokho)

Program Leadership Tanzania

Ngali Kitmwias and Maria Johane Oloulu - Alaileli Maasai Sustainability Organization (Alaileli)
Josephine Emanuel Sillo - Tloma Community Organization, (Karatu)

WMI Fellows

Liz Mooney and Melissa LaReau

Interns

Uganda: Ian White, Kristi Hill, Britta Burgis and 11 high school summer interns. **Kenya:** Susie Scanlon. **Bethesda, MD:** Tricia Woodcome, Alex Valentino, Chris Heagan, Tiffany Sun, Sienna Roman and Meghan Reynolds.

Board of Directors and Officers

Robyn G. Nietert – President. For over 25 years, she was a member of the Washington, D.C. law firm of Brown, Nietert and Kaufman, which specialized in telecommunications law, with a focus on innovative wireless technologies.

Jane E. Erickson – First Vice President. She is an executive with a Washington, D.C. area global health care consulting firm.

Elizabeth Gordon – Vice President. She has been involved in the real estate finance/development business (predominantly multifamily, seniors, low and moderate income housing) since 1985 and currently works for Fannie Mae in Washington, D.C.

Deborah W. Smith – Treasurer. She spent her career in corporate and personal finance, and was a Certified Financial Planner and registered securities representative.

Teresa Ciccotelli - Secretary. She is a retired corporate attorney with over 20 years' experience in Fortune 100 companies, most recently with Saint-Gobain's US offices in PA.

Beatrix Van der Vossen – Recording Secretary. A native of the Netherlands, she is Assistant to the Office of the Executive Director of the Netherlands Constituency to the IMF.

June Kyakobye – Special Advisor for Buyobo Project. She has been at the Pan American Health Organization/World Health Organization (PAHO/WHO) in Washington, D.C since 2001.

Advisory Board

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Thierry van Bastelaer, economist, Abt Associates, Bethesda, MD

Carol Van Oudenaren, librarian, Bethesda, MD

Jackie Vouthouris, financial modeler, New York, NY

William Wilhelm, finance professor, University of Virginia, Charlottesville, VA

Mona Yacoubian, foreign affairs consultant, Bethesda, MD

For further information about Women's Microfinance Initiative contact us at:

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