



Building
Assets to Better Lives

wmionline.org

2015 ANNUAL REPORT



Message from the President

Having just returned from my annual field visit to WMI loan hubs throughout East Africa, I am happy to report that each year just gets better! As we take stock of our 2015 accomplishments, we are gratified to see that our approach to international aid – allowing local determination to guide our resources – is having huge results.

Our local management teams constantly review, revise and revitalize programs, operations and budgets. They discuss new ideas. Programs and processes that are working are amplified and expanded; systems that are struggling are revamped and relaunched; and, most significantly - whatever isn't working is jettisoned - never lightly, never without thoughtful debate and deliberation, but most assuredly, the ladies are not averse to cutting the cord on something that seemed like a good idea, but turned out to be a dud. They don't tolerate non-performance in their own businesses and they certainly won't tolerate it in the loan program they have worked so hard to build.

We listen hard and each year we continue to provide the resources to test new concepts and add new tools to WMI's toolbox. Given tools and support, we believe WMI women improve their lives without "experts" planning for them. We believe that rural communities have the insight and capacity to design projects and take the central role in rural development. WMI brings the structure and oversight to these projects. As you will read, based on locally articulated need, this year WMI inaugurated a number of pilot programs ranging from insurance to specially structured loans. We continued sponsoring health screenings and training sessions. We tested solar lighting, and we worked hard to provide young girls with the tools and skills they will need in adult life.

This is the reality of what we do at WMI. Our team in Buyobo, and those in every other loan hub as well, is intimately connected to the unique rhythm of small business operations in rural villages. What we do is deeply connected to what rural women have told us over and over again they want and need to improve their household living conditions. It's a network of informed decision-making based on continual feedback from the women we serve - it has rough edges - it evolves over time. It's organic and can adapt quickly to changes in local circumstances. Our local leadership of over 100 rural women is shrewd, agile and dedicated. And now, after eight full years of operations, the WMI leadership is experienced. Certainly, they haven't "seen it all" - but they have surely seen a lot! That experience allows them to make better, more informed judgments that lead to improved program outcomes.

WMI also continues to work with its committed partner Postbank Uganda (PBU) to expand access to financial services for rural women. We are now one of PBU's largest clients! Stephen Mukweli, Managing Director of the bank, and Esther Mututta, the bank's recently-promoted microfinance chief, are very invested in the success of the program and very impressed with the depth of impact the loan program has had in Buyobo and the surrounding communities: they are working hard to meet our need for rural services, from new products to mobile banking vans.

Your generous donations have made the WMI loan program a possibility and the hard work of the ladies in Buyobo, and in all the other loan hubs, turned that possibility into a reality - a successful, self-sustaining resource that will benefit generations of rural women. Thank you so much for your loyal and ongoing support!

Robyn Nietert
President

Program Highlights

Exchanging Ideas and Testing New Concepts

Each day ladies in WMI's rural Buyobo, Uganda headquarters get up at first light and do their jobs: they issue and collect loans; visit borrower businesses; follow up on late payments; double-check spreadsheets of loan repayments; track program performance; write status reports; petition government officials; collaborate with the 13 other loan hubs in Uganda, Kenya and Tanzania; brainstorm new loan products like matched savings bonuses; organize village presentations for sustainable products like in-home solar systems; arrange ancillary program services like cervical cancer screenings, and develop outreach programs like Girls Empowerment Group.

Examining Impact

Program outcomes are supported by ongoing surveys, interviews and status reports. Incomes double within the first year of launching a business. Savings skyrocket - annual surveys show dramatic improvements in savings of anywhere from 300 - 600%, primarily because the vast majority of people never saved money before entering the loan program.

Teaching women the value of savings is one of the most profound impacts of our financial literacy and business skills training. Across borrower households, more elementary school children are going to school, more senior high students are staying in school, and more graduates are attending University. In addition to children's education, there is improvement in all basic categories of household well-being: nutrition, healthcare, sanitation, and home maintenance/ furnishings.

This year WMI analyzed data collected from more than 2,000 surveys completed by women in the loan program. This large amount of data allowed us to identify patterns that emerged as women became more experienced entrepreneurs and as they increased the size of their loans. The full reports are available at www.wmionline.org.

Enhancing Infrastructure

WMI's new 500-seat meeting pavilion was dedicated in January 2016. The pavilion is solar powered and has



an office for loan collection and a storage room. We added toilets, a kitchen, and a retaining wall to keep soil intact during rainy season. It is also a source of rental income for the program.

Continuing our goal of supporting the hubs through proper infrastructure, we are constructing a smaller pavilion in our Buputo hub; it will be completed in the first quarter of 2016. Finally, we granted Lewa \$25,000 to expand their facility for a dedicated microfinance office. A permanent office sends a strong message of support to the community!

Expanding Financial Access for Extremely Rural Communities

A Dining for Women grant of \$45,000 enabled us to target funds to expand the traditional loan hub model to even more remote locations, creating and testing a hierarchical sub-hub model in Buyobo. Success of this grant project helps us to focus our future plans to expand in a cost-efficient manner. Rather than starting each hub from scratch, finding local leadership and building an organization, we can now connect new groups to existing hubs and take advantage of existing infrastructure, technology and economies of scale. We should be able to ramp up operations much more quickly and introduce more women to business entrepreneurship opportunities in a shorter period of time.

Evolving – North-Central Kenya Program Reorganization

Communications with our north-central Kenyan programs at Ngarendare and Ntumburi was difficult given the remote nature of the Laikipia Plateau area, very limited internet access and erratic transportation, particularly in the rainy season. There is also a language barrier. English is not as widely spoken there as in Western Kenya, and to maximize their effectiveness, our loan hub leaders need communications translated into their local languages.

To resolve this issue and create a larger impact, WMI expanded its operations in the region by partnering with another local organization, the Lewa Wildlife Conservancy, which also has a microfinance outreach for the local women who live in the rural villages surrounding the Conservancy. Lewa is headquartered locally and has built an infrastructure of local professionals who speak native languages and who have access to reliable communications and transportation.

Because Lewa has extensive contacts throughout the Laikipia region, our partnership means we can more effectively identify target village areas for loan program expansion to serve more rural businesswomen.



2015 Program Accomplishments

Loan Hub Activity

- This year WMI continued its impressive growth, increasing its new borrowers by 65% over 2014 (8,000 in total) and issued 6,300 loans totaling \$828,000, at an average of \$150 per loan. To date, WMI has issued 22,500 loans totaling \$3.3 million.
- The revolving loan fund stands at \$800,000, providing quarterly loans to our borrowers for a period of two years, at which time the borrower graduates and the funds are available to a new borrower.
- WMI assisted over 1,000 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. The WMI loan program has graduated 3,000 borrowers to date.



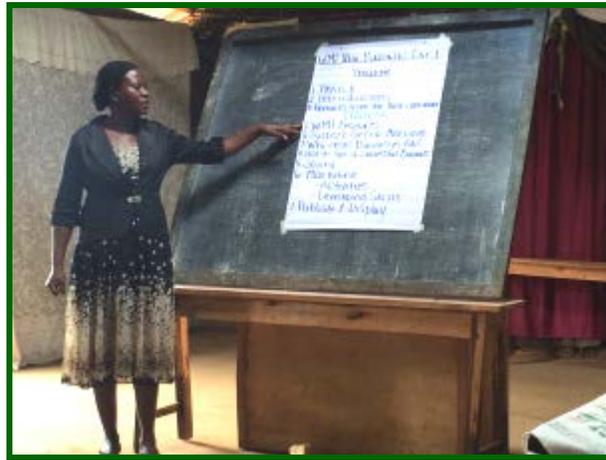
Loan Hub Expansion

- WMI added a new microfinance loan hub in the Mukono region of central Uganda in partnership with Suubi Community Projects. Mukono has 9 villages and was severely affected by the 1981-86 civil war. As people were displaced, the agricultural economy was decimated and socio-economic structures were weakened. The program started operations with two 20-member loan groups.
- WMI also expanded loan program operations to a third location in Tanzania through a partnership with Weston Turville Wells for Tanzania. We had previously worked with WTWT on financial literacy training -- their microfinance program did not meet WMI's women-based program model. Based on their loan repayment experience, in 2015 WTWT decided to limit their program to women borrowers and is delighted to be able to partner fully with WMI.



Training

- WMI continues to work with hub staff on a host of management skills, including bookkeeping, budgeting and accounting.
- The Adult Literacy Entrepreneurship Group decided they wanted to start an entrepreneurship project, so WMI helped them get started. The ladies involved in the project wanted to learn how to make crafts so they could sell them to generate more income. The ladies are learning how to create household goods such as couch seat and table coverings, which are used as decorations in Uganda. The ladies hope to sell these goods to local customers for a profit.
- The “Girls Group” for P-7 students continues to hold programs designed to empower and educate young teenage girls on healthy behaviors and responsible life skills, as well as entrepreneurship skills.
- WMI supervised the making of reusable menstrual pads (RUMPS) in Buyobo Primary School to help girls, most of whom cannot afford to buy disposable pads, and prevent them from staying home from school due to their menstrual cycle. Eighty-five girls in Primary 6 and 7 classes, ranging in age from twelve to fourteen years old attended, from both Buyobo Primary School and Buyobo Parents. WMI is also looking at funding other “feminine products” to ensure girls are able to continue their schooling.
- WMI conducted a financial literacy training program for girls in Kabale, similar to the one we are operating in Buyobo through a grant to Rukundo International, one of our Kibale program partners.
- Noting that many of PBU's non-WMI customers lack sufficient financial literacy skills to manage their money effectively, the bank asked WMI trainers to develop a program to train other PBU customers who need to develop financial management skills. This is quite a compliment to our Buyobo staff -- they have taken the lead in preparing highly effective training materials and techniques and now have a track record of success.



Pilot Projects

- Jumbo Loans. In 2015 WMI started a pilot “jumbo loan” project, lending 1M Uganda shilling loans to its most experienced borrowers. These specialized loans are used when our partner commercial banks are unable to structure loans that meet some of the women’s unique borrowing requirements. By the end of the year, WMI made jumbo loans to 80 women and repayment rate was 100%. To qualify for these larger loans borrowers must have had a 100% repayment rate and attendance for their two years in the WMI program, more than the minimum required savings, and a successful business. WMI plans to expand the program in 2016.
- Insurance. Generally, the concept of insurance is a hard-sell in Uganda, but after informational presentations, the women in the Buyobo hub decided that paying a small additional fee into an insurance pool could relieve them of the obligation to repay another member’s loan in the event of that member’s death. This way the risk could be spread over the entire borrower population, and not just the 19 remaining members of any particular loan group. Local WMI leadership had a very long and thoughtful discussion of what would be an insurable loss (bad crops, illness, incapacity, disappearance, etc.) but ultimately determined to insure only against death since it was a clear event not subject to judgment, and put the program in place. Interestingly, their comfort with the insurance concept (insuring against a low probability/high financial risk consequence) as related to loan repayment, is slowly paving the way to more general acceptance of the concepts of life and health insurances. As a result, we are introducing a pilot program with women (WMI local staff) in a third-party hospitalization insurance plan to see if it is a viable product for our borrower population.
- Solar Lamps. A WMI supporter recently donated over 600 solar LED lamps to WMI. The lamps were given as a graduation gift to a group of borrowers who had paid back their loans in full. Several different brands were purchased with the idea of determining which performs best. The lamps cost about \$8 each, well out of the affordability range for most borrowers. Once we determine which lamp performs best we will develop a plan for group purchases. Solar lamps are a crucial part to an advanced standard of living as the majority of borrowers do not have access to electricity. The kerosene lamps still widely in use in villages are expensive, dangerous and unhealthy.
- Sewing Machines. WMI is working on a pilot Sewing Machine project with the Tuzamurane Cooperative in Mbyo village, Bugesera District, Rwanda. Under the agreement, WMI will

provide loan funding for purchase of up to 27 sewing machines by the CBO members to generate income for themselves and the CBO. The loan will be repaid from the products produced by the Cooperative and profits are to be directed to paying school fees and obtaining health insurance.



Interns

- We bid good-bye to our 204-2015 Fellow Melissa LaReau who gave us two very successful years in training and assisting the Buyobo leadership in establishing good office and financial procedures and practices. She also greatly expanded girls group and introduced a number of new programs.
- Our new fellow, Ashley Van Waes, joined us in October. Ashley received her BA cum laude from the University of Nebraska with a focus in International Business and Economics. Before receiving the Fellowship, she was with AmeriCorps, working at the American Red Cross in New Orleans, LA where she assisted clients in their recovery process after both small and large-scale disasters.
- WMI sponsored 8 volunteers in the US and Uganda, this year. Three interns worked in the WMI loan program offices in Buyobo, Uganda. In addition to general office work, computer training, and budget development, the interns developed videos, pictures and stories of the borrowers, and updated the blog.
- A very talented group of 5 college interns worked in Bethesda to compile and analyze our annual survey data. They developed Loan Impact Fact Books that consolidate information into country-wide reports, analyzing regional trends.



Major Funding Support

WMI raised more than a quarter of a million dollars for village women of East Africa through many generous grants and donations in 2015. Special recognition goes to the following:

Foundations and Corporations

American Women's Group – Paris
Boeing Corporation
Cordes Foundation
Dining for Women
International Monetary Fund Civic Program
Reso Foundation
Toward Sustainability Foundation

Program Partners

Hannah Kahl and Local Women/ Global Mission (Atiak, Uganda)
Childcare Development Organization (Gulu, Uganda)
John and Joyce Wanda and Arlington Academy of Hope (Bududa and Buputo, Uganda)
Barbara Wybar and the Bududa Vocational Centre (Konokoya, Uganda)
Mpambara-Cox Foundation (Kabale, Uganda)
Stephen Beingana and Tom Webber (Suubi, Mukono, Uganda)
Nick Smith and Buseesa Community Development Centre (Buseesa, Kiibale, Uganda)
John Kinoti and Lewa Wildlife Conservancy (Lewa, Kenya)
Sally Kelly and Chevy Chase Presbyterian Church (Shikokho, Kenya)
Judy Lane and the Alailelai Massai Sustainability Organization (Alailelai, Bugar, Tloma, Tanzania)
Rachel Blackmore and Weston-Turville Wells for Tanzania (Arusha, Tanzania)

Individuals through Combined Giving

Combined Federal Campaign (under the auspices of Aid for Africa)
Global Giving
IMF Helping Hands Program
Network for Good
World Bank Community Connections Fund

We are extremely grateful for all donations, and especially thankful to those who have provided on-going support to WMI. 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.

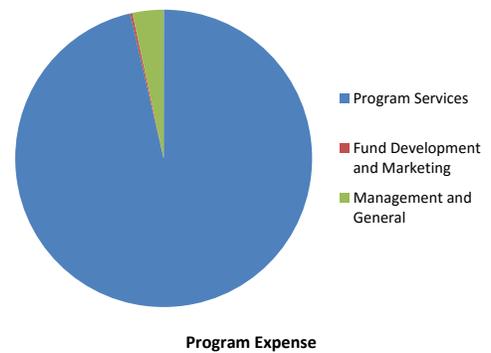
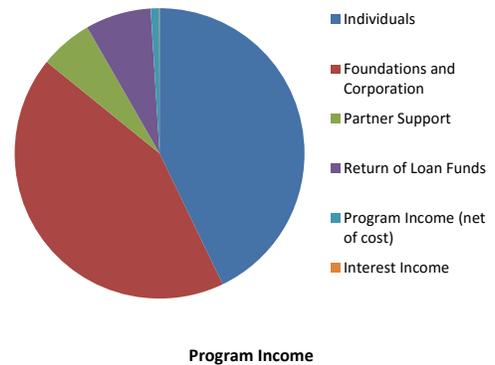
WAYS TO SUPPORT

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

	2015	2014
REVENUES		
Individuals	\$ 126,964	\$ 125,125
Foundations and Corporation	\$ 127,375	\$ 97,020
Partner Support	\$ 17,383	\$ 22,204
Return of Loan Funds	\$ 21,708	\$ -
Program Income (net of cost)	\$ 2,800	\$ 3,451
Interest Income	\$ 127	\$ 234
TOTAL	\$ 296,356	\$ 248,034
EXPENSES		
Program Services	\$ 206,831	\$ 199,617
Fund Development and Marketing	\$ 516	\$ 264
Management and General	\$ 7,270	\$ 6,039
TOTAL	\$ 214,617	\$ 205,920
NET INCOME/LOSS	\$ 81,739	\$ 42,114
ASSETS		
Cash	\$ 269,591	\$ 232,498
Prepaid Expense	\$ 2,000	\$ 2,000
TOTAL ASSETS	\$ 271,591	\$ 234,498
LIABILITIES AND NET ASSETS		
Current Liabilities		
Accounts Payable	\$ 394	\$ 45,040
TOTAL CURRENT LIABILITIES	\$ 394	\$ 45,040
NET ASSETS, UNRESTRICTED	\$ 271,197	\$ 189,458
TOTAL LIABILITIES AND NET ASSETS	\$ 271,591	\$ 234,498



Treasurer's Report

WMI continues to successfully raise funds for its operations and has significant sustained grant support. This year we were honored to receive the following grants: \$45,000 from Dining for Women, \$25,000 from Toward Sustainability Foundation, \$20,000 from Boeing Corporation, \$15,000 from the International Monetary Fund Civic Program, \$10,000 from the Cordes Foundation and \$5,000 from the Reso Foundation. Our newer programs in Uganda and Tanzania are supported on a significant cost sharing basis with our NGO partners. The Return of Loan Funds is related to the Kenya reorganization (and were re-granted). Individual contributions provide 47% of revenues, foundation and corporate support 47%, and partner support 6%.

Program Services include loan fund grants, infrastructure grants, training support, and some minor operational support. Of the \$187,125 granted, \$114,225 was allocated to hub loan funds, 63,900 to meeting shelters and community buildings, and \$9,000 to Local Operations (training, special projects and oversight).

The IRS Administrative and Fundraising Rate is 2.6%. Copies of the 2015 audit are available upon request.

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
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, Deputy Assistant Local Director
Grace Mangala, Financial Manager

Program Leadership Uganda

Evelyn Achieng - Karin Women's Group (Gulu)
Sylvia Akello - Blessed Women's Association (Atiak)
Faith Nabadda, Suubi Community Projects – Uganda (Suubi)
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)
Purity Mwende – Lewa Wildlife Conservancy Microfinance Program
Jamilah Mashipwe - Mayi Agiri Women's Economic Development Group (Bududa)
Olive Wolimbwa - Buyobo Women's Association (Buyobo)

Program Leadership Kenya

John Kinoti and Purity Mwende – Lewa Wildlife Conservancy Microfinance Program
Carolyn Karambu – Ntumburi, Pamela Naitetoi Kilua - Ngarendare
Felistus Amgun - Jelnarmah Self Help Group (Keveye)
Jennifer Musanga Miheso - Shikokho Chanuka Women's C.B.O (Shikokho)

Program Leadership Tanzania

Maria Johane Oloulu - Alailieli Maasai Sustainability Organization (Alailieli)
Josephine Emanuel Sillo - Tloma Community Organization, (Karatu)

WMI Fellow

Melissa LaReau (2014-2015) and Ashley VanWaes (2015-2016)

Interns

Uganda: Karen Bustard, Abigail Gellman, and Jing Xie.

Bethesda, MD: Simon Amat, Lucas Karron, Caitlin Kennedy, Eric Rogers, and Beki San Martin.

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 – Assistant 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 – Secretary. A native of the Netherlands, she recently retired from 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

Lillian Hagen, attorney, SEC, Bethesda, MD

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Bonnie Holcomb, anthropologist, Bethesda, MD

Robert Israelite, credit specialist, CUNA Mutual Group, Chicago, IL

Denise Kalule, business manager, Kampala Uganda

Sally Kelly, architect, Chevy Chase, MD

Valerie McDonald, association fundraiser, Herndon, VA

Archie Mears, microfinance expert, West Linton, Scottish Borders, UK

Ainsley Morris, investment analyst, Washington, DC

Olive Namutebi, managing internal auditor, PostBank, Kampala, Uganda

Juliet Nyambisa, banker, K-Rep, Nairobi, Kenya

Harris Recht, attorney, Ridgewood, NJ

Thomas Richardson, IMF Representative, New Delhi, India

Katherine Staudaheer, occupational therapist, Bethesda, MD

Montana Stevenson, international consultant, Bethesda, MD

Al Tetrault, retired professor, University of Maryland, Vienna, VA

Beth Tomasello, attorney, The Women's Heart Health Foundation, Bethesda, MD

Christine Uzzell, information technology specialist, Bethesda, MD

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:

P.O. Box 485, Cabin John, MD 20818

Tel: 301/520-0865

www.wmionline.org