This provides an update on World Vision's efforts to end extreme poverty by 2030 through Economic Empowerment.



## May 2016

#### Greetings!

World Vision is delighted to send you our Executive Briefing for Economic Empowerment. You are an integral part of our work to end extreme poverty by 2030, so we want to keep you updated on our progress.

In this issue, you will find:

- A note from Christopher Shore, Chief Development Officer
- Latest news and statistics
- Prayer requests
- News articles



"Our first experiment in our new approach to building improved livelihoods for small-holder farmers was such a huge success that we realized we had discovered something truly profound. By paying close attention to improving the entire agricultural value chain, the small-holder farmers' incomes simply exploded. I have seen that ending extreme poverty for small-holder farmers is not only possible, it is our responsibility. How else will these rural families be able to provide for their children?"

Tim Andrews National Director, World Vision Tanzania

#### **Value Chain Improvement**

In the World Vision THRIVE model, we seek to build both IMPROVED and RESILIENT livelihoods. When seeking to improve incomes and assets, one of the key learnings we apply is to work on ALL of the issues which affect the household economy. As we described in the last newsletter, we always begin the economic journey out of extreme poverty with the Biblical empowered worldview, closely followed by encouraging all people to save money regularly in Savings Groups. Then, our goal is to seek radical improvement in incomes, to appropriately diversify incomes (not put all your eggs in one basket), and to improve home gardens used for home food consumption.



To radically improve farm incomes, both farmers and World Vision need to examine and understand, and then systematically improve what we call the agricultural "value chain" – all of the steps/links that a product (like onions) take in the lead-up to being grown through to being sold to the final customer. Our starting point is to use the positive experience of working together in a Savings Group to organize farmers to work together to improve market power. Working together is critically important, as a group can buy inputs like seeds or fertilizers at a much better price than an individual. Similarly, they can sell their production at a better price and with better terms when they sell together. Also, it is easier for World Vision to work with a group when we provide the farmers with suggestions on how to improve their agricultural practice or use improved agricultural technology (seeds, fertilizer, machinery, storage, etc...). So, we begin by organizing farmers who are working in the same "Value Chain" (farming similar crops) to work together in a "Commercial Producer Group".

Then, we work with the "Commercial Producer Group" and other experts to analyze their value chain to identify where improvements can be made quickly, and to prioritize which steps should be taken first. The analysis can be led by the farmers themselves with World Vision coaching, or can be done by experts. Usually, we see that there are some quick wins available. As many farmers are beginning their journey as subsistence farmers, one frequent quick win is using better inputs (seeds, fertilizer). This may be using varieties of seeds/crops that the market is demanding, using inputs that will result in higher production, or both. Many developing countries have invested significantly in improving seeds for their countries' different micro-climates or other needs, and while these and other seed supplies may be available, many subsistence level farmers are not using these better seeds (or breeds of animals).

# Improved and Resilient Livelihoods for Small-holder Farmers

End-to-End Business Systems of Farming On- and Off-Farm Natural Resource Management Systems Shock, Emergency and Situational Awareness Systems

## Biblical Empowered World View

This is where our local microfinance institution, VisionFund, plays a critical role. VisionFund was created to ensure access to financial services for the people World Vision serves, and VisionFund is strategically aligned to provide "our" farmers with appropriate loans so they can use better quality inputs. More detail on VisionFund's role in our next newsletter.

Before planting begins (or animals/bees/birds arrive), farmers often get expert advice from other "lead" farmers, from World Vision experts, or from private sector experts on improved agricultural practice. Our preference is to use "lead" farmers, as farmers learn best from other farmers. This expert advice can include how far apart or deep to plant seeds, new approaches to soil preparation, when and how to apply fertilizer, how to identify plant diseases, etc... . Access to this type of agricultural "know-how" is part of the process of moving farmers from subsistence agriculture to small commercial agriculture.

Another piece of "know-how" is working with the farmer groups (often called Commercial Producer Groups) on how, when, and where to access markets so that the farmers gain maximum benefit and are not exploited by unscrupulous intermediaries. This includes knowing who the better buyers are, what terms and conditions those buyers require, how to negotiate and administer contracts, when and how to ship product, and the like. Market players are critical partners in this access to markets component, including existing market players, or new ones such as Great African Food Company in Tanzania.

As the business of farming becomes more profitable, we consistently see that farmers invest first in their family eating more and better food, in their children's education, and in their housing. However, they also invest in improving their farm - adding new crops or products (e.g. bee keeping or keeping dairy cattle), adding technology or equipment (drip irrigation, farm machinery, improved crop storage), and the like. One of World Vision's key goals is to help parents provide well for their children. Systematically helping farmers improve their agricultural value chains supports small-holder farmers ongoing economic improvement and graduation from extreme poverty from subsistence farming to radically improved incomes as small commercial producers.

Christopher Shore Chief Development Officer, Economic Empowerment World Vision

#### **Statistics**

World Vision is addressing improvements in local value chains through various approaches. We are working in:

35 countries in 120 Area Development Programs, with 1820 groups, having 75,000 + group members

### Newsflash

• To learn more about Economic Empowerment, please join our next monthly information and updates call! Join from your computer by clicking the blue link below:

Join WebEx meeting

Or, call:

1-877-668-4493 Call-in toll-free number (US/Canada) 1-650-479-3208 Call-in toll number (US/Canada) Access code: 822 005 257

If you have any questions, please contact your rep!

#### Friday, May 27th, 2016 at 8:00 am PST

• Join us on a life-changing journey to see God at work in a community impacted by poverty. Experience the impact of your support in the lives of children and families around the world. Contact your World Vision representative if you are interested in joining a trip.

### Rwanda/Tanzania/Safari: August 1-14, 2016 Zambia: November 7-11, 2016

 <u>2016 SEEP Network Annual Conference</u>: This event will afford exciting new opportunities to engage with key themes and key players in inclusive market development.

#### Washington D.C. September 19-21, 2016

## **Prayer Requests**

- Join us in prayer for the official launch of the THRIVE initiative in Malawi beginning this month. Pray that this program will be a success, contributing to improved livelihoods in Malawi.
- Continue praying for the survivors of the earthquake in Ecuador last month. We thank God for protecting the lives of all employees at a nearby MFI branch.
- Pray for the millions of children who are at food security risk from the drought and flood impacts of El Nino.

## In the News: ECONOMIC EMPOWERMENT: HELPING HARDWORKING PARENTS

Read about one parent's rise above difficult circumstances with the help of VisionFund International and World Vision. Follow Grace Graka's journey by reading the full article. <u>Read Article</u>



### **Get Involved: World Vision Micro**

Get involved and change the life of an entrepreneur by giving them a hand up with a Micro loan. You'll get exciting email updates about the business progress of your entrepreneur and how the lives of their family and communities are changing for the better. Visit <u>World Vision Micro</u>.

## **Staff Transition Updates**

Our current Economic Empowerment & WASH Sector Coordinator, Jessica Ott, will be leaving World Vision on May 27th to be with her husband in Germany. Jessica has been a faithful servant at World Vision for five years and more specifically been a great addition to our Economic Empowerment family for the past year. We wish them all the best on this new journey!

We also want to WELCOME Kaitlin McGarvey as the new Economic Empowerment & WASH Sector Coordinator. Kaitlin joined World Vision in April and has already shown leadership and expertise in this new position. Please join us in welcoming Kaitlin!



worldwide to reach their full potential by tackling the causes of poverty and injustice. World Vision serves all people,

world Vision regardless of religion, race, ethnicity, or gender.

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