

impact

FALL 2010



Opportunity International

Reaping the Rewards

Amosi Kasamira (right) and his wife have used agricultural loans from Opportunity Malawi to increase the size of their farm from a tiny plot to 3.5 acres, and to access high-quality fertilizer and seed. With hard work, determination and training in best practice techniques from Opportunity's agricultural specialists, Amosi's yield has increased from 10 to 150 bags of maize.

Amosi now has enough to feed his family and a surplus to sell. The increased income has enabled the family to afford clothes and school fees. He also has been able to open a secure, interest-bearing savings account with Opportunity, so he no longer needs to worry about the safety of his cash. With crop insurance, he knows that his family will not starve if there is insufficient rainfall.

The Case for Ag Finance

In sub-Saharan Africa, the need for finance in rural areas is great:

- Most financial institutions focus on more accessible urban areas.
- 65% of the labor force is employed in agriculture.
- Agriculture provides 32% of GDP.
- Agriculture receives only 4% of public spending and overseas development assistance.
- The region imports food, despite the potential to feed its population and export food to the rest of the world.

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Agricultural finance client Amosi Kasamira on his farm in Malawi.

Harvesting Hope

A smallholder farmer harvests maize in Masungu on the outskirts of the Malawi capital, Lilongwe. Amosi Kasamira's face lights up as he shares his plans for the next season. "My vision is to replace the grass roof of our home to better protect us from the sun and rain," he explains, "and I intend to cultivate 10 acres next season."

Two years ago, Amosi was struggling to grow enough maize to feed his family. Since joining Opportunity International's agricultural finance program, he and his wife have seen a five-fold increase in their family income. (See story at left.)

Farming in sub-Saharan Africa is a tough business. Most farmers live hand to mouth on irregular incomes. There is an urgent need for working capital at the beginning of the season, savings to tide them over between harvests, and insurance to help safeguard against crop failure and loss of livestock.

Opportunity International has developed a strategy to manage the many risks inherent to providing financial products in rural areas with undeveloped markets and farming techniques, poor infrastructure and little credit history. This strategy combines the best of traditional microfinance with a rigorous understanding of the unique factors associated with smallholder agriculture in Africa.

One key aspect is management of the entire value chain—those organizations that have a specific role in supporting the smallholder farmer, such as seed and other input suppliers, extension service providers and markets. To make this cost-effective and to ensure long-term sustainable support, Opportunity will develop strategic alliances with agribusinesses, farmer groups and associations, and other partners.

Across Africa, smallholder farmers struggle to balance regular spending needs with income tied to seasonal harvests. To address the pressures caused by annual or biannual income, Opportunity gathers data to understand the cash flow of each client. GPS technology is used to map the farm. With this map and a short household questionnaire, Opportunity creates a client profile that will be used to help

(continued on page 4)



CEO Corner

with
Bill Morgenstern

It is an exciting time to be part of the Opportunity family. Over the next few months, we are offering two great ways for you to become more involved with the work of Opportunity.

If you haven't already registered for our Microfinance Conference in Washington, D.C., on October 8-9, I encourage you to do so. Our impressive speaker lineup includes Maria Otero, Under Secretary of State for Democracy and Global Affairs; Roger Thurow, former *Wall Street Journal* foreign correspondent and co-author of *Enough: Why the World's Poorest Starve in an Age of Plenty*; Knight Kiplinger, renowned economic journalist and business forecaster; and Claudia Kennedy, retired Lt. General, U.S. Army.

The two days will also be full of updates on our innovative programs worldwide. John Magnay, our senior agricultural advisor (see page 4), will be at the conference to lead you through our deep and rich agricultural initiative described in our cover story. Chance Tsamwa, senior banking officer at our bank in Malawi, and Alice Gasatura, director of credit support in Rwanda, will be on hand to inspire you with stories of our clients and services in Africa. You can look forward to receiving many hands-on tools to help you spread the good word of Opportunity's work.

Another way to share the Opportunity story is through OptINnow™ gift cards (see page 5). These special gifts allow your friends and family to help fund the loan of a hardworking entrepreneur such as Norma Vergara (see back cover). Like so many of our clients, Norma materially had almost nothing, and now, after starting a business, she is making a happy life for her family and is able to send her kids to school. On a recent trip to Colombia, I was struck by the beauty and dignity of God's work in and through our enterprising clients who do so much with so little.

Thank you and may God bless you for your continued support of Opportunity International.

UPS Delivers

A donation from the UPS Foundation will help provide loans and other financial services to marginalized Indian women like Deepa (at right). She started a container business with the help of Opportunity Loan Officer Valamarthi (at left), who was previously a loan client herself. Since then, other members of Deepa's gypsy community have taken out loans with Opportunity, and are working together to sell their products in the marketplace and improve their standard of living.



The \$100,000 UPS Foundation grant will enable Opportunity to expand its services to marginalized groups in the Chennai area. In India, 87% of the population lacks access to credit. Our goal is to create new loan products, launch an educational finance program and increase insurance offerings, impacting the lives of 100,000 loan clients by the end of 2010.



Emerging Leaders Program participants (from left) Fenless Kamvabingu, Anna Kasanda, Flora Mugombewa and Mary Mwase work on a class project during their loan officer training.

Goldman Sachs Gathers Training Leaders

Opportunity International was honored to attend Goldman Sachs' second annual *10,000 Women Leadership Academy* in Washington, D.C., which brought together more than 100 organizational partners from around the world. Opportunity's Emerging Leaders Program

is part of Goldman Sachs' *10,000 Women* initiative, which empowers women entrepreneurs by providing them with business and management training. Since its launch two years ago, the initiative has trained 2,000 women in 20 developing countries, including 100 Opportunity bank employees in six African countries.

The Leadership Academy kicked off with an address by former Secretary of State Dr. Condoleezza Rice, who summed up the basis for the *10,000 Women* initiative: "On many occasions I've been asked, 'What's the one thing you would do if you could wave a magic wand and make the world better?' And I always come to one as central: I would empower women."

This fall, Opportunity will welcome its next class of 100 Emerging Leaders in Nairobi, Kenya. To learn more about the program, visit opportunity.org.

Tanzania's Flagship Branch Opens

Opportunity Tanzania Board Chair Francis Pelekamoyo shakes hands with branch driver Mourice Maqway at the official opening of our Arusha branch recently. At right is Opportunity Tanzania's Human Resources Manager Terry Ramadhani. The keynote speaker was Arusha's Regional Commissioner, the Honorable Isidore Shirima, who praised Opportunity as "a transformational enabler for Tanzania to move from a subsistence economy to a commercial economy." Opportunity Tanzania had been operating from a temporary location in Arusha for over six months. The new branch currently serves over 1,500 loan clients and meets Tanzania's banking standards to offer savings products later this year.



Loans Help Families Improve Hygiene

Opportunity Malawi is partnering with Hygiene Village, a water and sanitation NGO based in Blantyre, to provide loans for our Ndirande branch clients to purchase environmentally-sound latrines. The installed latrine—a significant improvement over makeshift latrines found throughout Blantyre—costs about \$175, and the loan is being repaid monthly over a year. Loan client Esther Nylendi says her new pit latrine, which features ventilation and an ash treatment that transforms waste into a safe and organic fertilizer for fields, has made such a difference to her family's health and well-being.

M-Banking Launched

Opportunity Kenya and Opportunity Malawi have tapped into the countries' huge network of cell phone users to bring the bank directly to them.

Opportunity Kenya partners with Safaricom's successful M-PESA program to provide mobile phone banking (m-banking) services for our clients. The pilot program supports loan disbursements and savings refunds, plus the usual m-banking features such as cash transfers and airtime purchases.

Opportunity Malawi has introduced its m-banking product, Banki Mmanja, in the rural district of Dowa, where more than 60% of its clients own a cell phone. Banki Mmanja will reach out to current clients in urban and rural areas, as well as unserved rural communities, especially those near trading centers without a bank location or those far away from our mobile bank or satellite locations.

Where feasible, Opportunity plans to complement m-banking with a cashback product made possible through point-of-sale devices. This will enable clients in rural areas without a bank presence to have a cash point where they can make withdrawals and deposits. Opportunity's other banks in Africa are also exploring m-banking and will benefit from the learnings gained in Kenya and Malawi.



In the outskirts of Nairobi, Kenya, Margaret Wangui uses her cell phone to make financial transactions from the convenience of her restaurant. This technology gives clients in remote locations affordable, reliable access to their accounts.



Smart Giving

with Chuck Day

Doing Well by Doing Good

In response to the slow, but steady economic recovery, I am pleased to offer a piece of financial news that you can literally take to the bank. The rates that Opportunity International offers on charitable gift annuities have gone up as of July 1, 2010, thus providing increased income to our donors who choose to help people living in poverty through a gift annuity.

A gift annuity is quite simple: in exchange for your gift of cash or stock, you (or the person you select) will receive back a fixed dollar amount each year for life. The annuity rates are based, in part, on the age of the person(s) receiving the annuity payments, with older persons receiving higher rates. After the person receiving the annuity has passed away, the dollars remaining from the face amount of your gift will be used by Opportunity to serve the needs of impoverished people. This amount can be calculated now, and can be deducted as a charitable gift in the year you establish your gift annuity.

For many donors, the attractive annuity rates can replace certificates of deposit in the fixed income portion of your retirement portfolio. For example, a married couple age 70 can lock in a 5.4% annuity for as long as either is living, with a significant portion of the annuity payments treated as tax-free income. A 50-year-old who chooses to defer the annuity payments to age 67 receives an 11.7% annuity. Rates are guaranteed, regardless of fluctuations in interest rates or the stock market.

Opportunity depends on gift annuities and other such "planned gifts" to fund our work in the future, and a gift annuity qualifies for membership in the Whittaker Legacy Partners.

For more information on charitable gift annuities or any aspect of estate planning or charitable gift planning, please contact Chuck Day, director of gift planning services, at cday@opportunity.org or (630) 242-4136, or our Gift Planning website at opportunity.org.

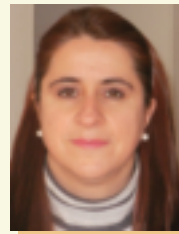
Harvesting Hope *(continued from cover)*

farmers maximize production and prevent their households from falling into financial difficulty.

In Malawi, drought is the single most important risk faced by smallholder farmers, who have minimal access to irrigation. Opportunity has worked with the World Bank to provide crop insurance that will pay out if crops receive insufficient rainfall for production. This innovative product was successfully piloted during the 2005-06 growing season among 892 low-income groundnut farmers in famine-stricken areas. Currently taken up by over 2,000 farmers, the insurance has been extended to include other crops. Consequently, farmers become creditworthy and able to secure finances needed to purchase certified seed.

Rural Africa is home to the continent's poorest families. Commercializing the agricultural economy by transforming farmers from subsistence growers to cash crop producers has the potential to move families out of poverty and feed a continent. Opportunity's agricultural finance model will be rolled out to Mozambique, Ghana, Rwanda and Uganda in the near future, empowering smallholder farmers to build better futures for their families, their communities and their countries.

Meet Our Global Leaders



Maria Clara Martinez Leyva

CEO, Mexico

Last month, Maria moved with her two daughters from Colombia to become CEO of our operations in Mexico. Maria has more than 20 years experience in the banking sector, most recently at AECOM, where she helped implement the community banking model in six

microfinance institutions. Maria also has served as a microfinance consultant for USAID's Midas program, microcredit project manager for Banco Agrario de Colombia, and risk director for Finamerica.

Maria said she is looking forward to leading an organization focused on serving people living in dire poverty, and hopes to increase the number of clients served from 4,800 last year to 8,000 in 2010.



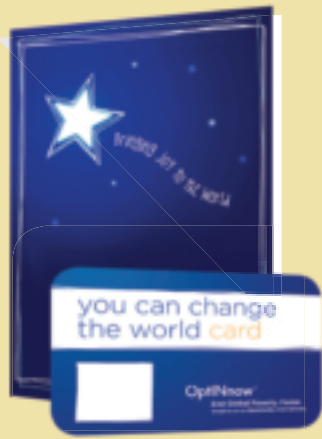
John Magnay

Senior Agricultural Advisor

Born and raised on a large farm in the U.K., John has lived and worked in Uganda for 32 years. He has developed businesses supporting the agricultural sector, and has served as a private consultant for USAID, the United Nations World Food Programme, the European Union and

the World Bank on agribusiness and output market development in several African countries.

Since joining Opportunity in 2008, John has developed strategies for supporting the rural sector using a range of savings, loans and insurance products, and recruiting and training technical staff to support rural activities. "Our staff is strongly committed to developing a holistic, sustainable rural microfinance model that will help increase food security and income for smallholder farmers, who have largely been ignored until now," he said.



Give a “You can change the world” Card

Looking for a holiday gift that brings joy to the world? OptINnow™ gift cards give your family and friends the power to make a lasting impact on our clients' lives.

Here are the top three reasons to purchase OptINnow gift cards in the upcoming holiday season:

1. Let them choose. Recipients can visit optinnow.org, read the stories of entrepreneurs in the developing world, and choose a client to support with a life-changing loan.
2. Join the growing microfinance movement. An OptINnow gift card helps the compassionate, globally-minded people in your life be part of the working solution to poverty.
3. Multiply your impact. It's more than just a donation. When a client repays the loan you funded, the money is loaned again and again to other entrepreneurs, helping to build thriving communities.

To purchase electronic or physical gift cards, visit optinnow.org/giftcard.

Start Your Own Fundraiser

Have you thought about hosting a web-based fundraiser to help increase awareness, raise funds and engage others in Opportunity's work this fall? Now there's an easy-to-use fundraising tool on optinnow.org to get you started.

This past summer, six Women's Opportunity Network (WON) members set up and ran personal fundraisers through OptINnow in conjunction with the “Mothers, Daughters, Sisters” Insight Trip to Uganda. More than \$14,000 has been raised to date and, in honor of his wife and daughter, an Opportunity board member and Uganda Country Champion has committed to match up to \$25,000. WON's goal is to raise \$1 million to provide Ugandan women with the financial services they need to work their way out of poverty.

Visit optinnow.org/fundraisers today for simple instructions on setting up your own fundraiser.



Meredith Hefner and her mother, Linda, serve lunch to girls at Kazo Summit School in Kampala during WON's Insight Trip, which has raised over \$28,000 for the women of Uganda.

Help Increase Our Online Presence



Visit our interactive Annual Report at opportunity.org.

Check out our new website

Opportunity.org has been completely redesigned as part of our ongoing efforts to improve your experience and increase our online visibility. Our favorite new features include:

- Latest news on Opportunity and microfinance on the homepage
- More stories about clients, Trust Groups and schools in the Media Center, as well as press releases, colorful online publications and engaging videos
- Slideshow of photos on every page; click on an image to enlarge it and read the captions

Check back often at opportunity.org to be part of Opportunity's working solution to global poverty.

Sign up for our blog posts

Each week on our updated website, the Opportunity Blog shares up to seven articles with our online community. On any given day, you can learn about our latest innovations and initiatives, or get our take on world events affecting our clients. To contribute to the Opportunity Blog or to submit ideas for a blog topic, contact Emily Riemer at eriemer@opportunity.org.

Join Facebook

Opportunity International currently reaches over 6,000 people via our Facebook pages. With your help and support we can reach even more. Join our page at facebook.com/opportunityintl. If you have any questions about Facebook or how you can use it to tell your friends and family about Opportunity International, contact Ian Haisley at ihaisley@opportunity.org.

Governor Families Visit Colombia

Randy Haykin and his 16-year-old daughter, Kayla, journeyed with eight other families on the Board of Governors' Family Week Trip to Colombia in June. The group visited Opportunity offices, participated in devotions with staff, and met with individual loan clients and Trust Groups in Bogotá and Cartagena.

Kayla (pictured right) said that one of the highlights was making crosses with our clients' children attending a vacation bible school. "Thanks to the Opportunity trip, I was exposed to things that will stay with me for a lifetime."

"Kayla is my third daughter to come with me to visit the work of Opportunity abroad,"

Randy said. "I've found that exposing each of my daughters to our work, once they were old enough, was not only a great chance to show them how the majority of the world actually lives and survives, but also gives them a sense of compassion for others and gratitude for what they have in life."

Randy encourages families to sign up for 2011 trips to Colombia and Kenya. "Family Week Trips are a unique parent-child bonding experience that we've enjoyed on top of all the benefits we get from giving to Opportunity," he says.



*Opportunity
Ghana client
Nelizer Darko*



Breaking Bread Together

Join Young Ambassadors for Opportunity (YAO) members across the country in hosting informal meals during the month of October in recognition of International Poverty Eradication Day, Oct. 17. Because all the best ideas are shared over food, take time to plan a meal with friends and family and introduce them to the work of Opportunity International. For more information on how you can participate, visit opportunity.org/breakingbread.

Calling All Student Leaders

YAO is seeking student leaders who are interested in serving as Campus Coordinators for Opportunity. In this role, a talented high school or college student would gain hands-on experience working with a leading microfinance organization and make a lasting impact on global poverty. Other benefits include:

- An increased understanding of poverty issues and how to address them in a meaningful way
- Enhanced leadership skills, while building experience in marketing, fundraising and public relations
- Access to key change agents and leaders in the microfinance arena

Campus Coordinators are responsible for organizing a campus activity or campaign to promote awareness of Opportunity and to raise funds for loans to entrepreneurs on OptINnow™. The position, which is volunteer and unpaid, requires a commitment of 12 hours per semester. If you know a student who may be interested in applying, visit opportunity.org/students.

School Fundraiser Nets \$6,000

Katie Moran returned from an Opportunity Family Week Trip inspired to raise awareness about Opportunity's work as a solution to the extreme poverty she witnessed. Along with a friend, Hannah Dibble, Katie embarked on a five-week fundraising drive at their Charlotte Country Day School, raising almost \$6,000.

Katie says, "We hoped that the students would understand the concept of microfinance and want to help, but the community responded in a greater way that we could have ever imagined."

With the encouragement and support of teachers and other students, Katie and Hannah held a sandwich sale, coin drive, woven bracelet sale and concert featuring two local bands. The school also allowed them to hold a walk-a-thon where students paid \$10 to miss class to walk on the school track.

A senior at Country Day this fall, Katie is the daughter of Opportunity Governors Jerry and Leigh Moran of Charlotte, N.C.





The Smiths Want to Welcome You

One might say that Opportunity International brought Bruce and Janey Smith together.

Ten years ago, Bruce heard about Opportunity from his parents, Helen and Gordon Smith, and then became involved with the launch of our bank in the Philippines through the family's foundation. To get ready to host an Opportunity fundraiser in his home in 2005, Bruce hired interior designer Janey Jordan. He invited her to the event, where staff member Lillian Covington shared her story of growing up in Kenya with her mother, a microfinance client. Bruce and Janey began dating, were married in 2006, and named their first child after Lillian in 2007. The couple also has a one-year-old son named Nihl.



Bruce Smith is pictured with an Opportunity loan officer and client during his Insight Trip to Uganda in 2005.

Bruce says, "I like how Opportunity is committed to helping the working poor, with a clearly stated vision for reaching its goals." He and Janey, who have been active Governors for more than five years, bring up Opportunity in conversations with friends. Janey has given away many OptINnow™ gift cards and says, "People enjoy going online and choosing an entrepreneur to invest in. I love how Opportunity follows up to let them know how the client is doing."

Bruce has gone on an Insight Trip to Uganda and served on our Philippines bank board. Last year, the couple helped underwrite a fundraising event in Washington, D.C., with Janey serving as co-chair. They have hosted Opportunity visitors from Malawi, the Philippines, Colombia and Ghana, and are serving on the host team for the Fall Microfinance Conference. Janey says, "It's important to attend Opportunity conferences to keep up with all the innovations in technology and developments in the countries we're serving. In two action-packed days, you'll learn a lot about the microfinance model and you'll get the opportunity to interact with like-minded people who want to do more to alleviate poverty." Bruce encourages Governors to invite their friends and family, and to take some time to enjoy the sights in his hometown. "D.C. in October is beautiful and the museums are free," he said.

CALENDAR

Fall Microfinance Conference

Hosted by the Board of Governors
Washington, D.C.
Oct. 8–9, 2010
opportunity.org/events

Insight Trips 2010

COLOMBIA PRE-CONFERENCE Oct. 5–7
KENYA/RWANDA Oct. 10–17

Insight Trips 2011

COLOMBIA Feb. 21–25
INDIA INT'L WOMEN'S DAY March 5–11
PHILIPPINES May 28–June 4
UGANDA (WON) June 18–25
COLOMBIA FAMILY WEEK June 20–24
KENYA FAMILY WEEK July 10–17
TANZANIA (YAO) July 30–Aug. 5
RWANDA Oct. 17–21

Governors Update Conference Call

Dec. 8, 2010, 11 a.m. CST
Dial 866-867-4769, passcode 424077

For more information, contact:
Wendy Cox, 630-414-2567 or
wcox@opportunity.org

OPPORTUNITY INTERNATIONAL Microfinance Conference

GET THE STORIES BEHIND THE HEADLINES FROM GLOBAL POVERTY EXPERTS, INCLUDING:

- Maria Otero, *Under Secretary of State for Democracy and Global Affairs*
- Roger Thurow, *30-year Wall Street Journal foreign correspondent and co-author of Enough*
- Knight Kiplinger, *one of America's most respected economic journalists and business forecasters*

OCTOBER 8–9, 2010
WASHINGTON, D.C.

Hosted by Opportunity's
Board of Governors

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Opportunity International

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Loans Lead to Hope

Like many of our clients, Norma Vergara of Henequen, Colombia, needed only a small amount of money to take advantage of a business opportunity that could make a significant difference in her life. She met with Opportunity Loan Officer Diana Araujo and then joined a Trust Group of women who helped her secure a loan, overcome a time of hardship and move forward. "Because of Opportunity," Norma says, "we are united, we share."

Every few days, Norma purchases plastic bags gathered from the city dump. She employs three to five people to clean and sort the bags, and then sells them. With her profits, she is able to pay school fees and purchase supplies for her two children, Carlos David, 11, and Jonathan, 8, and feed them more nutritious meals.

Norma says that receiving the loans has empowered her and given her hope. She feels more confident and secure, believing that with God's grace and Opportunity, she can continue to rise above her circumstances.



Mark Lutz, Opportunity's senior VP of global philanthropy, has released his first book, *UnPoverty: Rich Lessons from the Working Poor*. Mark has worked in international development for 23 years and grew up in South Africa with missionary parents.

He says, "The poor deepen my understanding of what really matters in life. As you read their tales, you will gain new optimism and hope. You will recognize that they are poor only in material terms. Given an opportunity to help themselves, they unloose the chains of poverty for their families and communities." All profits from the book will be donated to people living in poverty. To order, visit amazon.com or unpoverty.org.



Opportunity International

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OPPORTUNITY INTERNATIONAL'S VISION

Our vision is a world in which all people have the opportunity to provide for their families and build a fulfilling life.

Our belief is that small-scale entrepreneurs can be big change agents in overcoming global poverty.

Our mission is to empower people to work their way out of chronic poverty, transforming their lives, their children's futures and their communities.

Our method is to provide microfinance services, including lending, savings, insurance, and transformational training, to people in need. To do this, we build and work through sustainable, local microfinance institutions.

Our motivation is to respond to Jesus Christ's call to love and serve the poor.

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To fund a microloan, go to optinnow.org

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