2020 was a year of unprecedented challenge and change. The COVID-19 pandemic swept across the globe, wreaking havoc on economies, markets and most tragically people. Many entrepreneurs struggled to stay afloat. The events of the last year required impact investors to step up to the plate—to take more risks and be bolder in their support of early stage, impact-driven companies. Without the partnership of risk-taking investors, many social enterprises—the engines of growth and positive change in low-and-middle income countries—would not have survived.

FINCA Ventures was able to rise to the challenge. Our small team and nimble investment approach allowed us to provide additional support to existing investees while simultaneously expanding our investment portfolio. As a result, all of our investees not only managed to stay afloat during COVID-19, but also increased their reach and impact.

In addition to expanding our portfolio and ensuring that our capital supports our investees to weather the storm in times of crisis, FINCA Ventures also pivoted in 2020. We revamped our strategy to focus on three core pillars—global health, agriculture and livelihoods, and financial inclusion—while also continuing our commitment to gender equality and gender-lens investing as a cross-cutting theme. This commitment is evident when looking at our investment portfolio, where 60 percent of investments are supporting women-owned businesses. Finally, we raised funding of $3.5 million from USAID that will increase our investments in health and agriculture and serve as a catalytic bridge as we look to scale those portfolios exponentially.

We are thrilled to share our second annual impact report which showcases how our commitment to creating sustainable social impact has allowed FINCA Ventures and our investees to face the challenges of 2020 undaunted. We hope that their progress inspires you as much as it does us.
Since 1984, FINCA International has been delivering responsible financial services to underserved communities through its network of 20 financial institutions on five continents. Today, these financial institutions serve almost 2.8 million customers annually.

However, FINCA recognizes that financial institutions cannot on their own extend financial services to the 1.7 billion people who remain unbanked. This is even more apparent when a pandemic like COVID-19 strikes and dramatically disrupts business as usual. To reach financially excluded individuals, FINCA is pursuing investments in technology innovators who are building pioneering products that hold the potential to expand the frontiers of financial inclusion.

FINCA Ventures now also invests in products and services designed to enable underserved communities to access responsible and affordable financial services and lead financially healthy lives. FINCA evaluates each investment opportunity through the lens of how its financial institutions can support early-stage fintech to grow faster, reach underserved communities and address market challenges.

FINCA Ventures, an impact investing initiative by FINCA International, leverages the institutional knowledge gleaned from serving low-income customers for nearly 40 years to make equity investments in early-stage companies whose products and services unlock productivity and improve the quality of life for the world’s poor, with a focus on sub-Saharan Africa. Gains in productivity through adjacent channels (e.g., access to healthcare products and services) improve financial well-being and engender demand for financial services. Together, access to finance and access to basic services has the potential to dramatically improve the lives and livelihoods of low-income populations at scale.

With patient, strategic, impact-first capital, FINCA Ventures is positioned to:

• Play an active role in reducing the pioneer gap—the funding challenge social enterprises face in their early stages when they are not considered investable by many impact investors.
• Provide hands-on support to groundbreaking entrepreneurs that prepares their companies for the next phase of growth.
• Cultivate strategic partnerships between our investees and FINCA Impact Finance to improve resilience.

Combined, these efforts improve the long-term sustainability of early-stage social enterprises while deepening, broadening and hastening their impact.

FINCA VENTURES IS FOCUSED ON TWO SPECIFIC TYPES OF FINTECH PRODUCT:

- Enterprise solutions that address the operational challenges faced by financial institutions in accelerating their digital transformation.
- Direct-to-consumer products that directly extend responsible financial services to underserved communities and address market challenges in the financial inclusion ecosystem.

For more information on our first four fintech portfolio companies, Kuunda, ImaliPay, Jefa and Kwara, see the Portfolio Section.
Incorporating Impact in the Investment Process

IDENTIFY IMPACT

Use FINCA Ventures’ theory of change and priority SDGs to determine key problem areas and construct investment theses, screen for companies with high-impact potential that sit on the efficient frontier of scale, depth and poverty level and assess their ability to deliver meaningful results.

ASSESS AND EXTEND IMPACT

Through due diligence, refine a theory of change for the company, establish scale potential and depth level of intervention and evaluate poverty level of end-customers; set IRIS+ metrics and SDG targets with the entrepreneur and agree on regular reporting requirements.

Leverage the broader FINCA Impact Finance network, with presence in 20 countries and 10,000+ staff, to forge mutually beneficial partnerships that catalyze incremental impact by linking basic products and services with financial tools.

MONITOR IMPACT

At all opportunities (e.g., investment terms, key decision-making rationale, governance structures) commit to being the impact voice at the table, always bringing the best interests of the end-customer front and center at critical junctions and pushing companies to continually renew their commitment to impact.

Review progress against metrics and changes to poverty level of customer base regularly; assist the company with internal resources (e.g., FINCA International’s research team) and external vendors to monitor impact metrics, measure outcomes and assess customer satisfaction on a regular basis.

EVALUATE IMPACT

Publish an annual impact report highlighting key metrics across the portfolio, spotlighting individual stories and transparently sharing lessons learned and best practices gathered.

Aligning with Sustainable Development Goals and Other Industry Standards

FINCA Ventures invests in early-stage companies that offer affordable, high-quality and life-enhancing products and services. At present, FINCA Ventures has investments in health, fintech, agriculture, livelihoods, energy, education, water and sanitation. To assess outcomes across such diverse sectors, FINCA Ventures utilizes universal standards for measuring the impact of its investments. These include the United Nations Sustainable Development Goals (SDGs) and the Global Impact Investing Network (GIIN) IRIS+ metrics. Impact measurement, of course, comes in many forms. FINCA and its investees deploy custom survey instruments and develop custom metrics as needed for deeper or more specific evaluation and understanding.

The FINCA team reviews the targets underlying the 17 SDGs and compares them with the goals and activities undertaken by investees to identify direct and indirect impacts that each company has on relevant targets and goals. FINCA then maps the SDG targets to relevant IRIS+ metrics to obtain measurable indicators on social performance. Portfolio companies provide reporting biannually that we use to monitor performance against targets. The end result is that FINCA Ventures’ impact measurement system collects and analyzes social metrics that are core to the business and provide meaningful insights for all stakeholders of the company.

“FINCA Ventures is not only a capital partner, but also a proactive and generous supporter. If I need strategic advice or help in a specific domain, such as data or market development, I know I can turn to their team. That makes FINCA Ventures an invaluable partner to have alongside us on the journey and we count ourselves lucky to have them.”

WAMBURA KIMUNYU, CEO, ENEZA EDUCATION

Based on our review, through its investees FINCA Ventures contributes to 14 of the 17 SDGs.
Assessing Portfolio Companies Across Three Dimensions of Impact

Complementing our effort to align impact goals to the SDGs, FINCA Ventures assesses portfolio companies across three dimensions of impact to develop a theory of change that articulates how the company is improving access to basic services and unlocking productivity for low-income populations. These three dimensions are scale, depth and the target poverty level of end-customers.

Scale and depth of impact often have inherent tradeoffs. High-touch models may result in significant depth of impact, but they can be difficult and expensive to scale. Technology-driven businesses may be rapidly scalable, but they can face limitations regarding depth of impact if a broader system of activities is not in place. In assessing the poverty level of end-customers, we consider that some models will naturally serve multiple income targets, with early adopters stemming from middle-income populations to make the business model feasible for lower-income segments. Keeping these tradeoffs in mind, FINCA Ventures supports portfolio companies across this spectrum and aims to provide post-investment assistance in areas most likely to enhance both commercial performance and social impact.

**SCALE**
Measured by number of end-customers directly impacted by the company.

**DEPTH**
Evaluated using multiple indicators such as income increase, cost savings, customer satisfaction, health outcomes, impact evaluations that show the product delta and more.

**POVERTY LEVEL**
Measured by the socioeconomic level of end-customers impacted by the company.

“We realized that we cannot do everything ourselves, which was our original instinct. Now, we focus a lot more on who we partner with and to make sure it’s the right fit. The reason I was initially excited about FINCA Ventures is because of the people on the team. FINCA Ventures pushed us to think about how to build value in our business while maintaining a strong impact focus. Beyond that, we like that the FINCA network is well-aligned with agriculture, and we have seen firsthand how the FINCA name adds credibility.”

CARL JENSEN,
CO-FOUNDER & CEO, GOOD NATURE AGRO
FINCA Ventures supported 15 portfolio companies that delivered life-enhancing products and services impacting over 3.3 million lives in 27 countries globally in 2020.

**FINANCIAL INCLUSION**

*IMALIPAY (Kenya):* 2,340 gig economy workers provided with access to savings and loan products.

*JEFA (Mexico):* 103,000 women on the waitlist for access to core banking services tailored to their needs.

*KUUNDA (Tanzania):* 4.8M disbursements, totaling $46M, to 63,000 registered mobile money agents.

*KWARA (Kenya):* 30 Sacco/Credit Union clients fully digitized.

**HEALTH CARE**

*MDAS GLOBAL (Nigeria):* 45,873 patients (68 percent of whom are female) gained affordable diagnostic services since 2017.

*SISU GLOBAL (Kenya):* 1,680 manual autotransfusion consumables sold through distribution partners.

**WASH**

*JIBU (Uganda):* 231,000,000 liters of clean water provided to customers and 2,452 jobs supported through 132 franchises since 2014.

*SANIVATION (Kenya):* 1,157 metric tons of fecal sludge converted to fuel substitutes, saving 37,037 trees.

**AGRICULTURE**

*FINANCIAL INCLUSION*:

**AMPED INNOVATION**

*(Senegal)*: 29,292 families benefited from 2,673 mWh of clean energy.

**ENEZA EDUCATION**

*(Kenya)*: 14,161,878 lessons delivered to 1,469,861 active learners.

**EAST AFRICA FRUITS** *(Tanzania)*: 2,177 smallholder farmers connected to 2,104 small informal vendors, allowing for both groups to improve their incomes.

**GOOD NATURE AGRO** *(Zambia)*: 10,753 smallholder farmers (55 percent of whom are female) reached.

**IGNITIA** *(Ghana)*: 1,774,182 individuals received 36,372,532 weather forecasts.

**MERIDIA** *(Ghana)*: 110,068 hectares mapped and 8,368 smallholder farmers provided with land documentation since inception.

**YYTZ** *(Tanzania)*: 1,037 smallholder farmers (45 percent of whom are female) received higher cashew prices.

"It was a real pleasure working together with the (FINCA Ventures) team throughout the process, and the result was fantastic: a successful Series A! Next step: profitability, scale-up and exit!"

*ANDI KLEISSNER, CO-FOUNDER & CO-CEO, AMPED INNOVATION*
Sharifa started growing cashews in her village of Mambamba in 1974. She would sell the unprocessed nuts at a local market for a little income. In 2000, she started processing her own cashews after joining Tulinge Women’s Group. Tulinge in Swahili means “let’s get together.” The women get together to add value to their cashews through semi-manual processing. By selling to YYTZ, Sharifa and the women in Tulinge are able to secure 50 percent higher prices for their cashews. YYTZ plans to build a community center with automatic dehulling machines that these women can use to process their cashews at no charge.

With her higher earnings, Sharifa aspires to build a house for her family, raise cattle and buy a car. These assets would help her build wealth and move her family out of poverty.

SOLVING LIQUIDITY FOR BANKING AGENTS

With virtually all transactions in developing countries conducted using physical cash, customers need a cheap and convenient way to convert digital money to physical currency, and vice versa, to meaningfully engage with digital financial services. Agent networks have emerged to provide this critical service.

Financial service providers identify, recruit and train pre-existing businesses to perform financial transactions, including cash-in/cash-out, for customers on their behalf, making them agents of the provider. However, maintaining enough liquidity to provide cash-in/cash-out services to customers has proven to be a challenge for agent networks. In situations where an agent lacks enough liquidity, cash-in/cash-out transactions are denied, reducing commission revenue for agents and minimizing customers’ trust in agent networks and digital financial services more broadly.

The Hapa Cash product aims to address liquidity management challenges by providing agents access to a single day overdraft. The overdraft allows them to continue meeting cash-in transaction demand when they face a lack of liquidity, especially outside of normal business hours when banks are closed.

The platform primarily serves micro-merchants in the informal sector that provide mobile money and agency banking services to their customers. In Tanzania, FINCA Microfinance Bank and telecom provider Vodacom partnered to launch Hapa Cash, branded locally as Wakala Songesha.

Fidea is a 26-year-old mother of three who lives in Kisiwani. She signed up to be a mobile money agent a little over a year ago. It made sense to her because she runs a shop where she sells phones and phone accessories. She is subscribed to Wakala Songesha.

“I started with a limit of Tsh 50,000 (US $22) and now it is Tsh 85,000 (US $37). I like that I am rewarded for using it and paying it back. I hope that my limit will keep rising.”

During a typical workday, Fidea sends her assistant to the bank located an hour away to deposit cash in exchange for float and uses the overdraft only in emergencies. She plans on opening another shop next year closer to town where she will also have mobile money services.

“When I get a new till, I’ll put Wakala Songesha on that phone as well. It’s really very cheap and that really helps in this business.”
ITALIPAY

A digital financial services platform that offers tailored in-kind loans and savings products to promote the inclusion of African gig economy platforms and workers.

COUNTRIES AVAILABLE
Nigeria, Kenya (HQ), South Africa

DATE OF INITIAL INVESTMENT
January 2021

METRICS
2,340 Number of Gig Economy Workers on Platform
3-5 Average Number of Transactions per Month per Worker

ITALIPAY LAUNCHES FIRST PILOT WITH SAFEBODA NIGERIA
Mid-2020, ImaliPay launched their first pilot with SafeBoda Nigeria to provide access to savings and in-kind loan products to their riders. Based on results from this pilot, riders can work an extra 36 days per year as a result of reduced downtime.

THEORY OF CHANGE
The African gig economy is growing rapidly, with 80 million gig workers on the continent.

More than 50 percent of gig workers are underserved by traditional financial institutions, lacking a safety net of savings and unable to access productive finance due to the lack of basic documentation requirements such as pay slips showing predictable income flows.

Many of the existing gig economy platforms do not have the resources and in-house expertise to offer financial services on their own to their workers.

Tailored financial services, including savings and in-kind loan products around tools of trade, are needed to increase the financial resiliency and productivity of gig economy workers.

JEFA

A digital challenger bank specifically designed for women in Latin America to manage day-to-day expenses, build resilience and wealth.

COUNTRIES AVAILABLE
Mexico

DATE OF INITIAL INVESTMENT
May 2021

METRICS
900 Number of Active Users
103,000 Number of Women on Waitlist
86 Percentage of Beta Users Engaging with Financial Literacy Content

JEFA IS TAKING A PARTICIPATORY APPROACH TO PRODUCT DEVELOPMENT
In order to ensure that its features closely align with the needs and preferences of its target market segment, current beta phase users and waitlist customers are eligible to vote on the next features they want to see launched in the product.

THEORY OF CHANGE
Women represent 55 percent of the global unbanked. Unbanked women lack access to essential formal financial services like credit to capitalize on new business opportunities, savings to build emergency funds and insurance to cover potential personal and business risks.

Although digital financial services have shown immense potential to increase access to formal financial services, women are less likely than men to see these benefits.

Of women with access to formal financial services, 73 percent are dissatisfied with the offering. Commonly cited reasons include prohibitively high deposit minimums, stringent identification requirements and the need for in-person branch visits.

In order to bring more unbanked women into the formal financial system, financial service providers need to collect and analyze gender-disaggregated data to consider the specific needs and preferences of female customers.

SDGS SUPPORTED

PORTFOLIO OVERVIEW: FINANCIAL INCLUSION

FINCA VENTURES

ANNUAL IMPACT REPORT 2020
FINCA VENTURES

ANNUAL IMPACT REPORT 2020

PORTFOLIO OVERVIEW: FINANCIAL INCLUSION

KUUNDA DIGITAL

Designed an agent liquidity tool for agent networks, called Hapa Cash, to solve agent liquidity management challenges by providing agents access to a single-day overdraft, which allows them to continue meeting cash-in transaction demand when they face a lack of liquidity.

COUNTRIES AVAILABLE
Tanzania, Malawi, DRC, Uganda, Rwanda, Pakistan

DATE OF INITIAL INVESTMENT
December 2020

METRICS
63,000 Number of Registered Mobile Money Agents
4,827,066 Number of Overdraft Disbursements
$45,970,000 Amount in Transactions Facilitated

KUUNDA COMPLETES A POC WITH FINCA TANZANIA AND VODACOM TANZANIA
FINCA Forward partnered with FINCA Tanzania and Vodacom Tanzania to run a six-month proof-of-concept of Hapa Cash Overdraft (branded Wakala Songesha in Tanzania) with a sample of Vodacom’s M-Pesa agents. After receiving full regulatory approval, the partners began the process of commercializing and scaling, aiming to reach approximately 40,000 actively transacting agents per month by mid-2021. Kuunda also launched a Lump Sum product with Vodacom called Wakala Wezesha which allows agents to take a loan through FINCA Tanzania for 7 to 30 days.

THEORY OF CHANGE

Virtually all transactions in developing countries are conducted with physical cash and customers need a cheap and convenient way to convert digital money to physical currency, and vice versa, to meaningfully engage with digital financial services.

Maintaining enough liquidity to provide cash-in/cash-out services to customers has proven to be a challenge for agent networks.

In situations where an agent lacks enough liquidity, cash-in/cash-out transactions are denied, resulting in reduced commission revenue for agents and a negative impact on customer experience and their trust in agent networks and digital financial services more broadly.

Solving this perennial challenge is essential to ensure the sustainability of agent networks and realize the potential of digital financial services to extend financial services to unbanked and underbanked populations.

SDGS SUPPORTED

KWARA

Designed a digital banking platform for savings and credit cooperatives (SACCOs).

COUNTRIES AVAILABLE
Kenya, South Africa, Philippines

DATE OF INITIAL INVESTMENT
May 2021

METRICS
30 Number of SACCOs Supported
55,000 Number of End Customers

KWARA LAUNCHES JUNIOR TALENT TRAINING PROGRAM WITH SUPPORT FROM CATALYST FUND
Kwara launched a Customer Success Traineeship program that offers 6 months of intensive training that will help young professionals become experts in client onboarding, management and sales in the fintech space.

THEORY OF CHANGE

SACCOs provide critical financial services to millions of underbanked customers globally but rely almost exclusively on outdated, manual and high-cost methods. SACCOs face high operating costs, transparency issues, the risk of fraud and inefficient collection processes, and they struggle to meet increasingly stringent compliance requirements.

Increasing access to technology among SACCO members has resulted in a demand for a modernized customer experience where members have access to on-demand overviews of their savings balances and outstanding debts.

Existing core banking software on the market is expensive, rigid and unsuited to the specific needs of SACCOs.

The COVID-19 pandemic has created an urgency for digitalization born out of operational necessity to continue to effectively serve their customers.

SDGS SUPPORTED

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MDAAS GLOBAL

Builds and operates modern, convenient and affordable diagnostic centers in clinically underserved communities offering imaging, cardiac and lab services to identify health issues earlier and more accurately for effective treatment.

COUNTRIES AVAILABLE
Nigeria (HQ)

DATE OF INITIAL INVESTMENT
April 2019

DATE OF FOLLOW-ON INVESTMENT
May 2021

METRICS
7 Number of Health Care Facilities
45,873 Number of Patients Served to Date
67 Percentage of Female Patients Served to Date
94.7 Percentage of Patients Surveyed who Recommend their Services to Friends or Family

MDAAS SUPPORTS COVID-19 INITIATIVES
MDAAS launched a mass testing guide on how to set up and operate a COVID-19 sample collection site in low-resource settings, launched two COVID-19 sample collection sites in Ogun and Kwara States, and launched SentinelX, a platform that provides patients with a comprehensive health screening and ongoing virtual care.

THEORY OF CHANGE
Underinvestment in health systems and a fast-growing population have resulted in inadequate health care infrastructure, an absence of key specialist services, poor quality of care and loss of confidence in general health services.

A lack of tools that can detect and diagnose health problems means that many health risks remain undetected or receive inappropriate treatment.

Centralized, outsourced diagnostic service centers can provide physicians and patients in clinically underserved communities with affordable and high-quality imaging and a broad array of lab tests.

Through more accurate diagnosis and imaging for maternal health, HIV, TB and more, physicians can identify issues in a more timely and accurate manner, helping to improve outcomes and reduce costs.

SISU GLOBAL

Designed Hemafuse, a manual autotransfusion device that salvages, filters and recycles blood during episodes of internal bleeding, without the use of electricity.

COUNTRIES AVAILABLE
Kenya, Ghana

DATE OF INITIAL INVESTMENT
June 2021

METRICS
1,680 Number of Autotransfusion Consumables Sold
20 Number of Hospitals Using Hemafuse Device
3 Number of Distribution Partners

SISU GLOBAL WINS US PATENT OFFICE “PATENTS FOR HUMANITY” AWARD
Sisu’s Hemafuse product was honored with a 2020 Patents for Humanity award, which recognizes game-changing innovations that address long-standing development challenges. As part of the award, Sisu received an acceleration certificate to expedite select proceedings at the United States Patent and Trademark Office for a future patent.

THEORY OF CHANGE
There is a blood shortage of over 100 million units of donor blood each year globally. In emerging markets, donor blood is costly to process (~$100–$200 per unit). The use of donor blood also comes with a higher risk of disease transfer, increased length of hospital stays, readmissions and other complications.

Currently available autotransfusion devices are expensive, overcomplicated and require specialized staff to operate or are jury-rigged solutions that present a high risk to both patients and clinicians.

Affordable autotransfusion devices are needed to provide a cost-effective alternative to donated blood, saving lives that could have otherwise been lost due to lack of blood. Autotransfusion also helps to reduce hospital stays as patients get access to blood more quickly, increasing cost savings for hospitals and reducing recovery time for patients.

SDGS SUPPORTED
JIBU

Equips and capitalizes emerging market entrepreneurs to own profitable franchises that provide access to basic necessities for their communities, starting with affordable drinking water.

COUNTRIES AVAILABLE
Tanzania, DRC, Uganda (HQ), Rwanda, Kenya, Zambia, Burundi

DATE OF INITIAL INVESTMENT
May 2021

METRICS
231,175,000 Number of Liters of Water Sold
132 Number of Franchises
2,452 Number of Jobs Supported

JIBU LAUNCHES A MICRO-LOAN PROGRAM WITH VITOL FOUNDATION FOR CUSTOMERS
During 2020, Vitol Foundation and Jibu partnered with local SACCOs in Uganda to launch a revolving fund to help 1,000 lower-income customers pay for the upfront cost of Jibu’s reusable bottles. Jibu anticipates reaching 7,000 borrowers in 2021 across Uganda and Kenya through this program.

THEORY OF CHANGE
Forty percent of people living in sub-Saharan Africa lack access to clean drinking water. Contaminated drinking water increases vulnerability to water-borne diseases and infections which can have an impact on school attendance, productivity loss and malnutrition.

Rapidly growing urban areas and climate change pose challenges to water availability across African cities. Growing demand has put stress on urban areas and has outpaced the development of wastewater management systems, increasing potential pollution of local water bodies and decreasing quality of water available in cities.

Existing solutions are either inconvenient and unsafe—boiling water and point-of-use filtration is time consuming and not always effective—or too costly, with bottled water companies almost exclusively selling to the top 10 percent of the population. New models are required to drive down cost and increase access at scale.

SANIVATION

Partners with local governments to scale sanitation services in rapidly growing urban areas, turning fecal sludge into environmentally friendly fuel alternatives to firewood and charcoal.

COUNTRIES AVAILABLE
Kenya (HQ)

DATE OF INITIAL INVESTMENT
May 2018

DATE OF FOLLOW-ON INVESTMENT
July 2020

METRICS
314,000 Number of People Indirectly Provided with Improved Sanitation (Per Month)
1,157 Number of Metric Tons of Waste Treated
1,539 Number of Metric Tons of Fuel Substitutes Sold
37,037 Number of Trees Saved

SANIVATION EXPANDED OPERATIONS IN MALINDI AND WAJIR
Sanivation partnered with Malindi’s water utility (MAWASCO) to design and launch a 20-year City-Wide Inclusive Sanitation Plan in December 2020. Sanivation also signed its first contract for waste collection services in Wajir in partnership with the local government and the World Bank.

THEORY OF CHANGE
In Kenya, less than 5 percent of human waste is properly treated before disposal; by 2030 only 40 percent of Kenya’s population will have access to sewers.

To make sanitation solutions affordable, they must be addressed at the municipal scale and waste collected through the process should be transformed into revenue-generating products (e.g., firewood, charcoal) derived from the energy found in fecal sludge.

By mitigating waste generation through the proper collection, treatment and reuse of fecal matter, improvements in the overall dignity, health and environment of urbanizing communities will be seen.

SDGS SUPPORTED

PORTFOLIO OVERVIEW: WASH

ANNUAL IMPACT REPORT 2020
EAST AFRICA FRUITS

Formalizes the informal farm-to-market sector by providing a stable, fair market for horticulture crops, transporting goods using cold storage and distributing to food buyers to improve productivity and incomes for smallholder farmers and informal vendors.

COUNTRIES AVAILABLE
Tanzania (HQ)

DATE OF INITIAL INVESTMENT
September 2019

METRICS
2,177 Number of Smallholder Suppliers
28 Percentage of Female Smallholder Suppliers
$2,136,732 Payments to Smallholders (USD)
2,104 Number of Informal Vendor Customers

EAST AFRICA FRUITS CLOSES ON SERIES A FUNDING OF $2.05M
East Africa Fruits closed a $2.05M Series A round in May 2020 which will be used to build essential supply chain infrastructure to scale operations and expand the reach of their smallholder farmer and distribution footprint. With this infusion of capital, SAF was able to double revenues in 2020.

THEORY OF CHANGE
Post-harvest loss causes 50 percent crop losses of more than $7 billion annually in Tanzania.

Food distribution inefficiencies create low prices for farmers and variable product quality and high prices for informal urban food vendors where most Tanzanians continue to purchase fruits and vegetables.

Reducing food loss and waste is critical to reduce poverty, improve nutrition, manage food security and mitigate climate change.

Distribution companies can reduce post-harvest waste and improve food security, reduce environmental degradation and translate efficiency gains into higher incomes for farmers and vendors and lower prices for customers.

GOOD NATURE AGRO

Partners with smallholder farmers to improve their productivity through soil-enriching legume farming and links them to a high-value legume seed market to grow farmer incomes.

COUNTRIES AVAILABLE
Zambia (HQ), Malawi

DATE OF INITIAL INVESTMENT
September 2018

DATE OF FOLLOW-ON INVESTMENT
September 2020

METRICS
10,753 Number of Smallholder Suppliers
35 Percentage of Female Smallholder Suppliers
120,000 Number of Good Nature Seed Customers
446 Number of Farmers Accessing Digital Financial Services through GNA

GOOD NATURE AGRO CLOSES A $2.1M SERIES A ROUND
Good Nature Agro closed their Series A round to build up essential value-add processing infrastructure, to accelerate the growth of their full-farm extension services for smallholder farmers, to connect these farmers to large-scale agribusinesses and food processors seeking hassle-free sourcing through their Source model, and to further their seed breeding program.

THEORY OF CHANGE
Maize dominance, poor soil quality and changing climate characteristics have made farming in sub-Saharan Africa increasingly unproductive, threatening food and economic security, as 70 percent of the population relies on smallholder farming for income.

Agricultural strategies need to be implemented that address productivity, soil health, crops that materially grow income and market linkages.

By providing all required inputs, best-in-class extension services and a guaranteed offtake market for legume seeds, farmers can grow their income by over 300 percent, in addition to improving soil fertility and health, increasing household nutrition and providing added resilience against climate change.

SDGS SUPPORTED
1. No poverty
2. Zero hunger
3. Good health and well-being
4. Quality education
5. Decent work and economic growth
6. Industry, innovation and infrastructure
7. Sustainable cities and communities
8. Clean water and sanitation
9. Life on land
10. Reducing inequalities
11. Sustainable cities and communities
12. Responsible consumption and production
13. Climate action
14. Life below water
15. Life on land
16. Peace and justice, strong institutions
17. Partnerships for the goals

PORTFOLIO OVERVIEW: AGRICULTURE
IGNITIA

Provides the most accurate, hyper-local tropical weather forecasts to smallholders via SMS to reduce risk and loss and improve farmer decision-making for better harvests.

COUNTRIES AVAILABLE
Ghana (HQ), Mali, Nigeria, Côte d’Ivoire, Burkina Faso, Brazil, Benin

DATE OF INITIAL INVESTMENT
August 2018

DATE OF FOLLOW-ON INVESTMENT
April 2021

METRICS
36,372,532 Number of Forecasts Sent
1,774,182 Number of Forecast Subscribers (Inception through 2020)

IGNITIA EXPANDS INTO BRAZIL
Ignitia launched in Brazil to help mitigate geographic and seasonality risk, allow for year-round operations, and diversify and increase B2B revenue streams.

THEORY OF CHANGE
Over 70 percent of the sub-Saharan African population relies on smallholder farming for income, with 90 percent of farming being rain-fed.

More unpredictable rainfall, caused by climate change, has contributed to an increased frequency of crop losses and food shortage.

Smallholder farmers need localized and reliable information to make informed decisions regarding their crop production cycle in order to enhance economic productivity, stabilize incomes and increase food security.

By improving the accuracy of rainfall forecasts from 39 percent to 84 percent, farmers can double their yields and improve incomes dramatically.

SDGS SUPPORTED

MERIDIA

Provides mapping and land documentation services to smallholder farmers, unlocking land value for rural and peri-urban populations.

COUNTRIES AVAILABLE
Ghana, Côte d’Ivoire, Indonesia, Malawi

DATE OF INITIAL INVESTMENT
December 2020

METRICS
110,068 Number of Hectares of Land Mapped
8,368 Number of Smallholder Farmers Provided with Land Documentation

MERIDIA LAUNCHES CLAP INITIATIVE WITH MAJOR COCOA BUYERS IN CÔTE D’IVOIRE
Meridia entered into partnership with Barry Callebaut, Hershey’s and Unilever, among others, to deliver land mapping and titling services for cocoa farmers in Côte d’Ivoire. FINCA International’s Research team is partnering with Meridia to evaluate the impact of the CLAP project.

THEORY OF CHANGE
Roughly 70 percent of the world’s population lives on land without formal legal documentation. Without clarity on land boundaries, or access to formalized land titles, smallholder farmers do not have the incentive to invest in improving their land productivity because they are more vulnerable to land disputes and evictions.

This inhibits their ability to plan for the future, generate more income and access finance, perpetuating the cycle of poverty.

Existing solutions are either time-consuming paper-based systems or expensive hardware and software systems that lack data integration and scalability and drive up the cost for smallholder farmers who have limited disposable income and competing expense priorities.

Customizable, affordable technical solutions for land parcel mapping, surveying and documentation are needed to provide access to these services for smallholder farmers at scale.

SDGS SUPPORTED

YYTZ

Sources cashews directly from women’s groups in Tanzania, pays them a price premium through establishing mechanization activity in the community, and sells the final product under the consumer brand, More Than Cashews.

**COUNTRIES AVAILABLE**
Tanzania (HQ), Kenya

**DATE OF INITIAL INVESTMENT**
July 2020

**METRICS**
1,037 Number of Smallholder Farmer Suppliers
45 Percentage of Female Smallholder Suppliers
35,000 Number of Cashew Seedlings Planted

**YYTZ LAUNCHES MORE THAN CASHEWS BRAND IN TANZANIA AND KENYA**
During the second half of 2020, YYTZ launched More Than Cashews in Chandarana stores in Nairobi. YYTZ now sells its product across 70 retail outlets in Tanzania and Kenya.

**THEORY OF CHANGE**
Africa produces 60 percent of the world’s cashew nuts and Tanzania is the fourth largest African producer. With limited processing capacity in the country, 87 percent of production is exported as raw nuts via a government-managed auction for processing abroad, mainly to India and Vietnam.

To improve local value chain capture for Tanzania, local processing capacity needs to be improved. Cashew shelling and other mechanization activity at the community level brings more economic value back to the farmer and increases traceability in the supply chain.

**AMPED INNOVATION BEGINS PILOTING ITS NEWEST PRODUCT, THE POWERHUB**
The PowerHub is designed to replace diesel generator sets that are frequently used by businesses across sub-Saharan Africa. Amped plans to launch this product in Nigeria during the second half of 2021.

**COUNTRIES AVAILABLE**
Benin, Cameroon, Ethiopia, Fiji, Kenya, Liberia, Malawi, Mali, Mozambique, Senegal, Tanzania, Uganda, Zimbabwe

**THEORY OF CHANGE**
More than 80 percent of sub-Saharan Africans do not have access to electricity; by 2040 there will still be an estimated 530 million people who are living off-grid.

Electricity needs to be coupled with affordable, useful appliances (like solar water pumps, refrigerators, generator sets) that improve productivity by helping MSMEs and low-income households save time and money, and create access to new income opportunities.

Coupled with reliable electricity from solar energy, productive use appliances increase incomes and improve health outcomes to enable families to move out of poverty and become financially included.
More than 2 billion people globally lack access to basic sanitation, such as a flush toilet or a private pit latrine. In sub-Saharan Africa, less than 30 percent of the population has access to basic sanitation services. Around the world, over 800,000 deaths per year are caused by diarrheal disease due to inadequate sanitation. In fact, diarrheal disease is the second leading cause of death in children under the age of 5. Malnutrition resulting from diarrheal disease contributes to stunting or impaired growth and mental development in children. There is also an economic cost: the global economy loses hundreds of billions of dollars because of poor sanitation.

Starting in July 2019, Sanivation helped Malindi Water and Sewerage Company to produce a City-Wide Inclusive Sanitation Plan (CWISP). Thanks to Sanivation’s involvement, the 20-year, $120M plan will incorporate fecal sludge waste management into the county’s strategic mandate. In addition, Sanivation helped to build internal technical capacity to deliver on the sanitation benchmarks set out in the CWISP and support systems level change. This is the first of many engagements that Sanivation will undertake to support local governments in Kenya in planning for and implementing waste management activities.

Sanivation's solution tackles many aspects of the sanitation service chain in Africa. From installing container-based toilets in refugee camps to collecting, transporting and treating waste, Sanivation addresses the sanitation pain points of developing country municipalities. Sanivation also is pioneering a low-tech approach to transforming waste into improved alternatives to firewood for cooking and heating, resulting in better environmental and health outcomes for communities and municipalities. Their waste-to-energy model produces briquettes that burn for one-and-a-half times longer than traditional charcoal, produce one-third of the smoke and are more affordable.

Sanivation's first large-scale project was underwritten by the UN Refugee Agency (UNHCR) and the Gates Foundation and managed waste in one of the largest refugee camps in Africa—Kakuma in northwestern Kenya, with nearly 200,000 people. The success in Kakuma convinced Naivasha, a mid-sized town in western Kenya, to contract Sanivation for its own waste management. Sanivation built and operates a waste treatment plant for the municipality. Now, Sanivation is working with other counties and municipalities in Kenya that are eager to deploy its approach to waste management. In addition to Malindi and Naivasha, Sanivation has signed a contract for waste collection services in Wajir in partnership with the local government and the World Bank.
The outbreak of COVID-19 and its unprecedented impact worldwide required countries and companies to pivot from business-as-usual. As a provider of affordable health care and services to low-income groups in Africa’s most populous country, Nigeria, MDaaS Global acted quickly to combat the spread of the virus.

After Nigeria’s regional lockdowns began, MDaaS Global remained open to continue providing health care to patients in need. They implemented strict safety measures—such as the use of personal protective equipment by all on-site staff, screening patients for symptoms upon entry, additional and more frequent sanitation, and more—to ensure the health and safety of all staff and patients.

In order to fully utilize its team’s unique strengths and seeing how important large-scale testing had been in other countries, MDaaS Global reached out to partner with other organizations to set up testing sites and expand the country’s testing capabilities.

That collaboration led to the establishment of COVID-19 sample collection sites in Ogun and Kwara states. The collection sites, which allowed people to either walk-in or drive-through, demonstrated effective partnerships with state governments and other critical local actors.

To better support employers to safely return their workforces to the job, MDaaS Global launched an initiative that offers testing and monitoring services at the place of employment to mitigate outbreaks. It developed SentinelX, a digital health platform combining cutting-edge diagnostics, continuous disease monitoring and telemedicine to help protect teams and businesses from the threat of COVID-19.

MDaaS Global also produced a free, downloadable “playbook” with step-by-step instructions for health authorities and organizations on how to prepare, set up and operate a mass testing site. The playbook is also available for people in other developing countries to use.

MDaaS launched two COVID-19 sample collection sites in Ogun and Kwara states in partnership with state governments.