



Impact Report 2022

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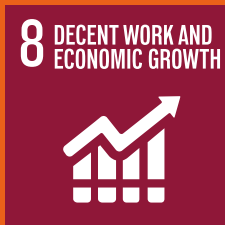
Our activities contribute to the United Nations' global sustainable development goals



SGD 1: End poverty in all its forms everywhere



SGD 5: Gender equality and empowerment of women and girls



SGD 8: Promote sustainable economic growth and employment for all



SGD 10: Reduce inequality in people, within and among countries

Colofon

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Foreword

We are proud to present Microcredit for Mothers' (MVM, a Dutch foundation) Impact Report for the year 2022. Through our commitment to measuring impact in a structured and systematic manner, we are able to provide valuable insights into the extent of our reach and the impact on the women.

At the core of our approach lies the Theory of Change, a conceptual model that outlines the path from intervention to social change. This model comprises four key steps: inputs, activities, outputs, and effects. By intentionally completing this model, we consistently make informed decisions to ensure that the projects supported by Microcredit for Mothers, benefit countries and partners both in the short and long term. Our primary objective is to grow the self-confidence and self-reliance of the women we support and thereby stimulate their economic independence. To this end, we provide microcredit in the form of start-up and working capital, enabling the women to pursue their entrepreneurial endeavors.

In the Impact Report, you will discover how our activities contribute to the United Nations' sustainable development goals (SDGs). Furthermore, the report sheds light on the invaluable role of training in the development of the women in Asia who have benefited from the credits provided.

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Our mission

"We firmly believe that empowering impoverished women in Asia through entrepreneurship unleashes their potential and power. This creates growth in their self-confidence and self-reliance. Together, we are driven by the inspiration to assist as many women as possible in obtaining microcredit, enabling them to initiate or expand their businesses."



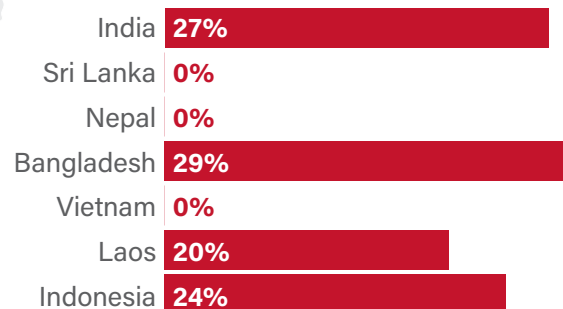
2022 in brief

In 2022, travel restrictions were lifted, allowing our volunteers to visit Bangladesh, India, and Indonesia, strengthening existing partnerships and sparking new project requests. In 2022, MVM allocated € 75,000 to 8 new projects across Bangladesh, India, Indonesia, and Laos, empowering 581 women in their entrepreneurial pursuits. Due to the revolving set up of loans, we also supported 416 new women in ongoing projects. In total, 997 women accessed microcredit for the first time through MVM. Training is an important pillar under each new project, which is why, in addition to a loan, 10% of the loan amount is available for training.

In 2022, we proudly garnered over € 70,000 in donations, encompassing recurring contributions, a substantial grant from a foundation, and generous one-time donations from both companies and individuals.

Due to new laws and regulations or additional restrictions, it is no longer possible for MVM to provide foreign loans in countries such as India and Vietnam. Consequently, we have made the strategic decision to convert all existing loan agreements with our partners into grants. The women who receive the loans from our partners continue to repay their loans to the partner as usual, so the funds continue to revolve locally. For a period of five years, we will monitor the progress of repayments, the funds provided to training and the number of children benefiting from the loans through the selected mothers.

Distribution of new microcredits 2022:



Methodology

Microcredit for Mothers is a networking organisation that works closely with local partners in Asia. MVM is solely comprised of volunteers. Microcredit for Mothers also cooperates with several Dutch partners, who generously provide their services for free. More information about these partners can be found on our website.

Microfinance of women's entrepreneurship encompasses three essential pillars that drive self-reliance among Asia's poorest women: lending, saving, and training. By leveraging our own partnerships or collaborating with local partners, we realise these vital pillars.

Our primary focus is on empowering poor women, who face greater challenges in accessing credit from traditional banks. Recognizing their vulnerable financial circumstances, we believe it's important to provide women with the opportunity to borrow at affordable interest rates. Moreover, our partners eliminate the requirement for collateral, ensuring that loans do not become financial barriers, enabling realistic repayment and fostering economic independence. This approach also facilitates the revolving nature of funds, as our partners redeploy repaid loans to support other women, further amplifying the impact of our initiatives.

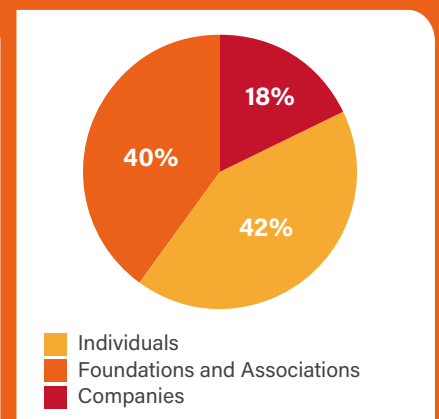
MVM in figures



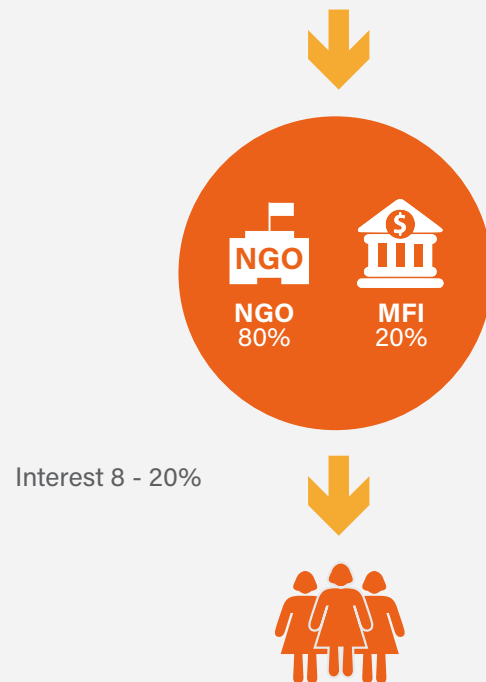
Approach

- **100% volunteers**
- **Better loan terms**
- **Locally revolving**
- **Careful selection of local partners**
- **Partner visit every 2-3 years**

Origin of donors

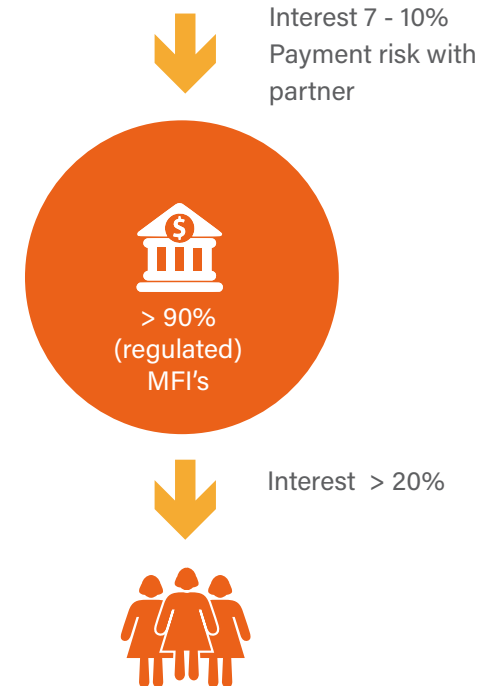


MVM



MVM provides grants to carefully selected local partners. These partners, in turn, extend microcredit to selected poor women in the region. MVM ensures that our partners offer loans at lower interest rates or more favorable terms than regular microfinance institutions (MFI's). Consequently, these selected women gain access to loans that would otherwise be inaccessible through the conventional banking system.

Impact investors



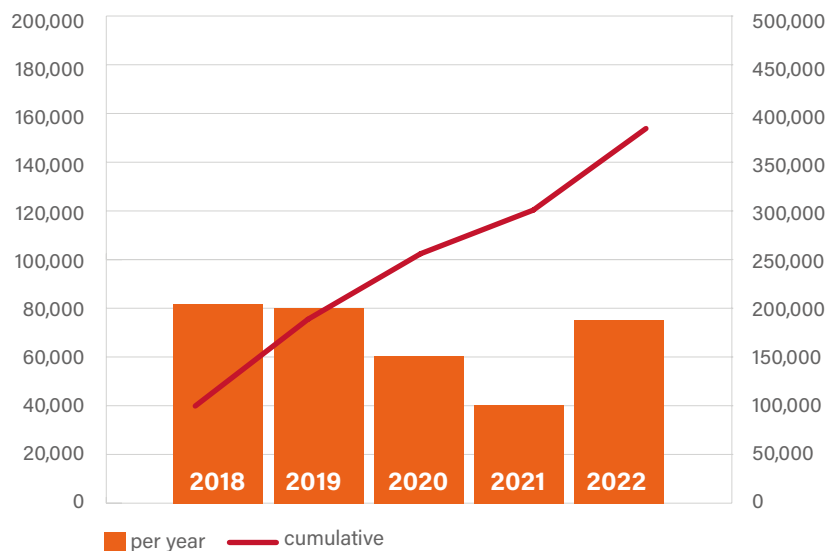
One motivation for women's empowerment is basic fairness and decency. Young girls should have the exact same opportunities that boys do to lead full and productive lives. But second, the empowerment of women is smart economics. (...) In fact studies show that investments in women yield large social and economic returns'

Robert B. Zoellick | President | the World Bank Group

Revolving Fund

MVM and the local partners use a revolving fund setup. Following contractual terms, we provide grants to these partners, who convert them into loans for local women participating in the project. The women use this to start their own businesses or expand their businesses. They usually repay the loan in a year. The repayment returns the lent money to the revolving fund and makes it available again for new loans. In this way we make it possible that a next group of women also gets the chance to start a business or that the same group of women receives a loan again (from start-up to working capital). As a result, an increasing number of poor families benefits from our initiatives. To date, we have successfully provided loans to over 27,000 women.





Volume of funds provided



Over the past five years, MVM has provided €340,000 to local partners, revolving locally. Funds provided to partners further back are also still revolving with the partner. However, the partners are no longer required to provide reports on these and therefore data on these grants is not included in this impact report.

Sustainable Development Goals

Analysing the projects supported by MVM through our partners and the information we have gathered, we have determined that our activities in the past year contributed to the following Sustainable Development Goals (SDGs).

SDG	Target	MVM contribution
 <p>1 NO POVERTY</p>	End poverty in all its forms everywhere	<ul style="list-style-type: none"> • Within the projects, women save individually or in groups. • MVM targets poor women. Most women have an income below the poverty line of USD 1.90 per day at the start of the project. • Several projects target poor women in climate-sensitive areas. • Our partners provide loans at significantly lower interest rates or better loan terms than other local parties.
 <p>5 GENDER EQUALITY</p>	Gender equality and empowerment of women and girls	<ul style="list-style-type: none"> • 997 new women received their first microcredit through MVM in 2022. • Microcredit empowers women to initiate or advance their own businesses, leading to economic independence and reducing reliance on men within their communities.
 <p>8 DECENT WORK AND ECONOMIC GROWTH</p>	Promote sustainable economic growth and employment for all	<ul style="list-style-type: none"> • Most partners provide regular training for the women participating in a project. Last year, 928 women attended training.
 <p>10 REDUCED INEQUALITIES</p>	Reduce inequality in people, within and among countries	<ul style="list-style-type: none"> • Our partners focus on disadvantaged groups of women in society such as the Dalits, casteless and nomads or medically disadvantaged women such as the disabled or women with HIV.

RDS - Bangladesh

Interview with Dr Azizul Haque Khan

In October 2022, Ingeborg Kempers paid a visit to our partner RDS in Bangladesh. During her visit, she had the opportunity to converse with Dr. Azizul Haque Khan, the Executive Director of RDS. Dr. Azizul, a family physician by profession, witnessed the distressing prevalence of diseases like cholera and measles among the poor population. Motivated to make a difference, he pursued training as a social worker.

Driven by his passion, Dr. Azizul established RDS and dedicated a portion of his income as a doctor to provide microcredit. In 1996, he received 20,000 Euros from a Bangladeshi NGO, which he utilized over a three-year period to support seven women groups, comprising approximately 20 women in five villages. Subsequently, additional funding from various partners, including MVM in 2014, bolstered RDS's impact.

Dr. Azizul's proudest achievement lies in RDS's unwavering support for the most vulnerable members of the community. When asked about the woman he holds in the highest regard, he humbly shares, "I am particularly proud of five women from the women groups who were elected by the village to represent the interests of the impoverished women in their interactions with the government. It's truly an extraordinary accomplishment!" Alongside his work as a doctor, Dr. Azizul even performed an impromptu tooth extraction for a villager during lunch—a testament to his warm, kind-hearted nature and the profound respect he commands within the village.



Partners and projects



MVM works with 28 partners in 7 Asian countries. With these partners we have established a long-standing cooperation. They are very committed to the women they work with. They know the local situation best and know which women need our support most.

Over 80% of our partners are NGOs and thus government independent. They focus on helping poor women in Asia. Beyond promoting entrepreneurship and self-sufficiency, many partners actively advocate for women's and children's rights, education, healthcare, and other essential needs.

In 2022, MVM program managers visited several partners, including:

- Bangladesh: CRSS, BASD, RDS and new partner VARD
- Indonesia: Kopdit Anna and Wanita Abadi
- India: Sanghamithra, OCD, RAIDS

The visits gave our program managers insight into the progress in the women's livelihoods thanks to the microloans we provided. The women's income is higher and the microloans contributed to more respect and esteem in their relationship and the community. As a result, the women's

self-confidence increased. During the visits, it was quite noticeable that prices have also increased there due to geopolitical developments. Finally, the program managers collect valuable information with which MVM evaluates and, if necessary, updates the policy (for example, the amount of the loan or the use of training).



Report of visit to CRSS in Bangladesh:

CRSS has had an office in Wazipur sub-district for two years. This low-lying, swampy area is very vulnerable to natural disasters such as floods, cyclones and heavy rainfall. We experienced this unfortunately ourselves. During our visit a cyclone announced itself that would sweep across the area. We were able to go to a safe place and reached Dhaka in time. The women we spoke to didn't have that choice and had to stay. The cyclones are very destructive.

While an asphalt road has been recently constructed, the remaining infrastructure primarily consists of dirt roads that frequently flood during the rainy season. Consequently, residents face immense challenges in accessing schools, healthcare facilities, government offices, markets, and even in interacting with local communities. The majority of houses in the area are poorly constructed and highly vulnerable to flooding. Unfortunately, government support for infrastructure improvement in this region is severely limited.

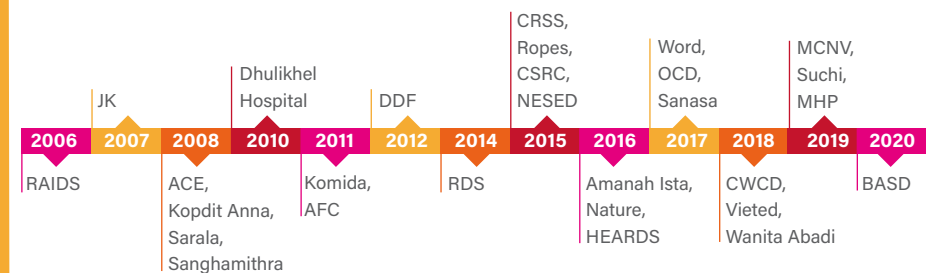
Careful partner selection

MVM firmly believes in the potential of women entrepreneurs and extends its support to poor Asian women who face limited or no access to credit for starting businesses. Careful partner selection, monitoring and building successful long-term partnerships is at the core of our work. We carefully choose partners based on their alignment with our mission and values, their proven track record, and their development programs that empower women to establish or grow their own businesses. With some partners we have been working together for more than 15 years, with others we have entered into cooperation more recently.

The partners we work with are:

- **Vietnam:** Medical Committee Netherlands Vietnam (MCNV), Center for Women Community Development (CWCD), Vieted and Anh Chi Em (ACE)
- **Indonesia:** Wanita Abadi, Komida, Kopdit Anna and Amanah Ista
- **Bangladesh:** Center for Rural Service Society (CRSS), Bangladesh Association for Sustainable Development (BASD) and Rural Development Society (RDS). By 2023, Voluntary Association for Rural Development (VARD) will be added as a partner.
- **India:** SUCHI, WORD, Sarala, Organization for Community Development (OCD), Sanghamithra Rural Financial Services, Rural Action In Development Society (RAIDS), Nature, Rural Organization for Poverty Eradication Services (ROPES) and HEARDS
- **Nepal:** Dhulikhel Hospital and Community Self Reliance Centre (CSRC)
- **Sri Lanka:** Janawaboda Kendraya (JK), Dayasarana Development Foundation (DDF), North East Socio Economic Organization (NESED) and Sanasa.
- **Laos:** Maeying Houamjai Phathana (MHP) and Agro Forestry development Consultancy (AFC).

Start date current partners





In 2022, we provided over € 75,000 in new microloans to projects in Bangladesh, India, Indonesia and Laos. In addition, the eight projects received € 7,600 for training. With this we helped 581 women on their way to a better life. Due to the local revolving nature of the loans, this number will grow over the years.



COUNTRY	PARTNER	TARGET/GROUP	NUMBER OF WOMEN	GRANT IN 2022 (IN €)
Bangladesh	CRSS	Vulnerable women from the low-lying, swampy sub-district of Wazipur. The area is highly vulnerable to natural disasters such as floods, cyclones and heavy rains. Many houses are poorly built and vulnerable to flooding. There is very limited government support to improve infrastructure in this area.	100	11,000
	BASD	Women from the Dalit community. The Dalit are a disadvantaged group. They are very vulnerable as they face storm, cyclone, high waves, salinity of water and soil regularly. Clean water is a big problem. They are mostly landless, illiterate or less educated.	100	11,000
India	Heards	The Schedule Caste Colony village women live in difficult conditions in Chittoor District, Andhra Pradesh. They are widowed by Covid or abandoned by their husbands. They are treated as outcasts and often exploited. With a microcredit they build their own livelihood and increase their economic self-reliance. Their children can also go back to school because they no longer have to contribute to the families' income.	50	5,000
	OCD	Women who belong to the most vulnerable traditional head load fish vendors of Mukkuvar. Most are widowed, middle-aged and illiterate. They live below the poverty line.	163	15,000

COUNTRY	PARTNER	TARGET/GROUP	NUMBER OF WOMEN	GRANT IN 2022 (IN €)
Indonesia	Kopdit Anna	Women in Yogyakarta who received a start-up loan to advance to a regular loan with the usual interest rate. They have started eateries, catering, laundromats and gas outlets, among other things. They receive training on for example food preparation. Without training, they could not have started a business.	18	6,080
	Wanita Abadi	Women who were previously housewives or unemployed start new businesses. Women who already have businesses can purchase additional raw materials for their merchandise. This involves facilitating activities aimed at preparing food and cakes/pastries for sale.	70	5,923
	Amanah Ista	Poor women in the Bogor region, a remote area with high unemployment, high poverty and high population density. It involves starting three new centers.	45	6,000
Laos	MHP	Bokeo is a poor area in northern Laos near the border with Myanmar. Women receive guidance to become more economically self-sufficient. The goal is to empower women and improve their income.	35	15,361

BASD - Bangladesh

BASD focuses on very poor women in vulnerable habitats affected by climate change (cyclones, storms, tidal waves). As a result, salt gets into the soil causing frequent crop failures. In total, MVM provided about 22,000 euros. In addition to a loan, women from BASD also receive training in raising livestock and growing crops on the land. In doing so, BASD is mindful of the climate and promotes the use of natural pesticides. The women say they would not have been able to start their businesses without this training. There is a great need for follow-up training to address challenges the women face while running their businesses.

In 2022, BASD provided loans to 31 Dalit women, among others. Dalit are the lowest caste and have no land, are not allowed to attend temple and are only eligible for unskilled and poorly paid work. Lack of resources compels them to consume water from heavily polluted rivers outside the rainy season, leading to adverse health consequences. The region also grapples with the distressing issue of child marriage, with girls being compelled to work on sex boats for monetary survival.

The women use the loans for small stores selling vegetables, coconuts and the like so they can earn a living. The women assert that without the support from MVM, some of them would not have survived their challenging circumstances.



Name: Jharna
Country: Bangladesh
Business: sale of milk and duck eggs
Local MVM partner: BASD

Impact: After losing her only son to Hepatitis B, much of the family income fell away. Jharna bought two calves and 12 ducks with a loan. She received training to learn how to care for the animals. Thanks to selling about 50 eggs a week and milk from the cows, there is now sufficient income. Her loan has now been repaid by Jharna. Next year she also plans to grow and sell vegetables.

ACE - Vietnam | Red worms project

In Vietnam, livestock farming and agriculture present additional challenges. Excessive use of chemical fertilizers and pesticides contributes to land degradation and infertility, while the disposal of agricultural and livestock waste causes nuisances in neighboring villages. To address these issues, our partner ACE initiated the Red Worms project, which offers multiple benefits.

Red worms play a crucial role in this project. They efficiently convert household waste into organic compost, enriching the soil for agricultural purposes. Additionally, they serve as a nutritious food source for small livestock like chickens and ducks, improving the quality of meat and eggs produced. Through the Red Worms project, 68 households have embraced worm farming, and the outcome has been overwhelmingly positive. These households have reduced their animal feed purchases by 30 to 52%, resulting in significant cost savings. The small livestock raised on red worms exhibit improved health, requiring fewer antibiotics even when illness occurs. Notably, the use of chemical pesticides has diminished by 70%, while crop and small animal production has seen a remarkable increase of 76%. The visible enhancement in soil quality further underscores the project's success. The participating households continue to work with the red worms and actively disseminate their acquired knowledge in their communities so that the red worms are more widely used.



Name: Mrs Luong Thi Quyet
Country: Vietnam
Business: duck farm
Local MVM partner: ACE

Impact: Luongh actively participates in ACE's red worm project, reaping significant benefits for her duck farm. By incorporating red worms into her farming practices, she saves money on feed purchases, and her ducks show accelerated growth. Moreover, the utilization of red worms yields high-quality natural manure, further enhancing the sustainability of her farm. The positive outcomes of Luongh's participation have not gone unnoticed by her neighbors. They have observed that her ducks grow faster, boast healthier feathers, and overall display improved well-being. Inspired by her success, Luongh actively shares the knowledge she has gained through the ACE project, empowering other duck farmers to adopt more sustainable approaches in their own operations.

Enterprising women



997
new women
supported



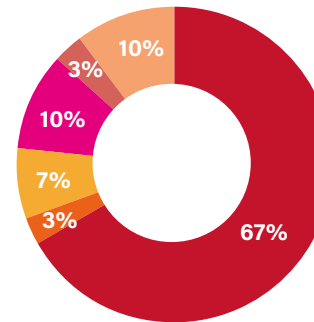
>75%
women
saving

MVM focuses on fostering self-reliance among the poorest women by investing in their entrepreneurship. By setting up their own businesses through small loans, savings opportunities, vocational training, entrepreneurial and leadership training, the women increase their economic independence and self-reliance. This improves the quality of their lives and those of their families. Our partners know the local situation well and know which women need our support the most.

Facts about the loans

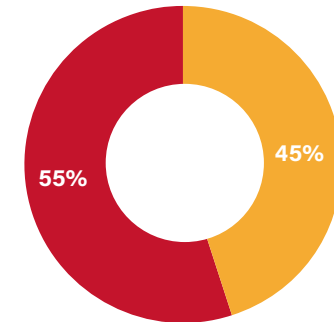
- € 130 average loan provided per woman in 2022
- 2/3 of partners provide loans with an average maturity between 8 and 12 months
- 1/3 of partners provide loans with an average term between 13 and 24 months
- Women are encouraged to save (individually or in groups)
- 80% of the partners provide group level support or group loans in addition to individual loans. This way, women encourage each other to actually repay the loan.

Type of business



■ Animal husbandry
■ Handicraft
■ Clothing
■ Food
■ Petty shop / store
■ Agriculture

Use of loan



■ Start-up capital
■ Working capital / Investment

Since MVM's inception, our partners have already provided loans to more than 27,000 Asian women with money provided by MVM. In 2022, 997 women received their first microcredit through MVM.

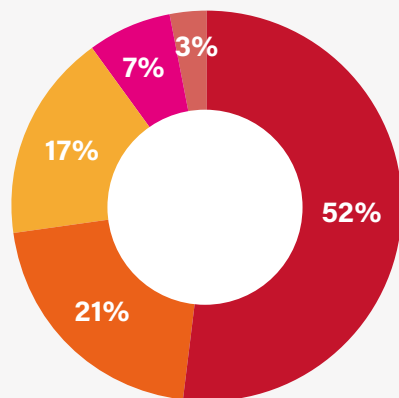
Reducing inequality

More than half of our projects target women from very remote areas. We are also increasingly reaching poor women in climate-sensitive regions with the loans. Among the women we assist, more than 20% hail from marginalized communities, including Dalits, casteless individuals, nomads, and those facing challenges due to disabilities or HIV. These groups are often overlooked by the government. Additionally, our partners extend their loan services to impoverished women in urban settings as well as small-scale farmers.

Children

Partners also keep track of how the women's children benefit from family economic developments. Not all partners track exactly how many children are involved with the women receiving loans. Of the partners who keep track (about half of the total number of partners), we know that 928 children benefit from the microloans, 896 of whom attend school.

Target group



- Rural communities (very remote from city / economic activity)
- Tribal communities / nomadic communities (e.g. Dalits / casteless individuals in India)
- Urban communities
- Smallholder farmers (farmers with own land <0.5 acres)
- Medically disadvantaged groups: disabled, sick women, etc.]





Name: Bhadiya Rana
Country: Nepal
Business: pig farming
Local MVM partner: CSRC

Impact: The two pigs Bhadiya Rana started with gave birth to as many as 10 and 12 piglets. With the sale proceeds from the piglets, she was able to pay off most of her microloan. The profit from her pig farm is enough to cover her household expenses. With a loan from CSRC, she is no longer dependent on landowners and employers.



Name: Ibu Bertemu Tokiria
Country: Indonesia
Business: laundry, gas bottles and edible oil
Local MVM partner: Kopdit Anna

Impact: When her husband died, Bertemu's income fell away. She started a laundromat and a trade in gas bottles and edible oil with a loan. She paid off the first loan and recently got a new loan to renovate her home for a healthier living environment. Without a loan to get started, she would have had no income after her husband died and probably would have become homeless.



Name: Ibu Jarmiati Tarni
Country: Indonesia
Business: medicinal herbs and herbal teas
Local MVM partner: Wanita Abadi

Impact: Given her age, widow Jarmiati Tarni is 60, the daily lugging of items to be sold on her back became too heavy. With a loan, she bought a cart. She can now carry a larger assortment, generating more income. With the income she makes a living and supports her children and grandchildren.



Name: Ms. Chandra
Country: India
Business: tailoring company
Local MVM partner: WORD

Impact: Due to Covid-19, Mrs. Chandra and her husband lost their jobs in a textile factory and could barely make ends meet. With a loan from WORD, Mrs. Chandra set up a tailoring business. She bought a sewing machine and now makes about 15 men's shirts a day and her husband works with her. With the income, she partially supports her family and pays for her children's school.

Trainingen

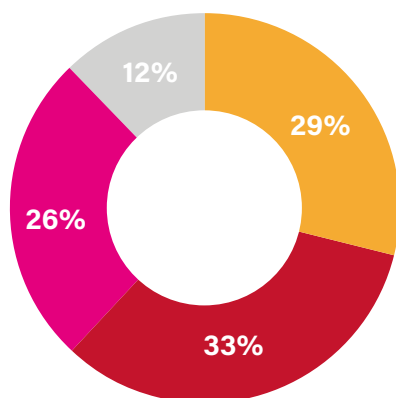


10%
of grant goes
to training

Microfinance combined with training is a powerful engine to end the poverty that excludes hundreds of millions of people on earth from livelihoods and hope. Starting your own business in combination with (financial) training leads to the structural generation of your own income. This ensures that poor women and their families have more and better food, children can go to school and they have the opportunity to improve their homes.

Because training is so important, MVM has made 10% of each new grant available for training since 2019. In 2022, € 7,600 has been provided for training. Entrepreneurship, financial literacy and health and hygiene are important topics during training. Partners also pay close attention to training specific to a woman's business, such as animal husbandry, raising goats, making fish feed or growing rice. In 2022, 928 women attended training with our partners.

Training topics



- Entrepreneurship
- Financial literacy
- Health/hygiene
- Other





Name: Mukutabala
Country: Bangladesh
Business: milk sales, grain farming and fish farming
Local MVM partner: RDS

Impact: Through five loans, Mukutabala has made strong progress in expanding her businesses. Starting with just one dairy cow, she has now successfully grown her herd to include four calves. Additionally, she now grows grain and dug a pond to farm fish. These endeavors have not only resulted in a higher income and financial independence for Mukutabala but have also earned her increased respect and autonomy within her household and the village. Mukutabala's achievements have garnered recognition, as she has been chosen to run for election to the council. If elected, she will receive a government salary.



◀ Program manager Monique at our local partners in Indonesia



Country: Indonesia
Local MVM partner: Amanah Ista

Impact: In this region, many households earn income through a collaborative production system, where different families contribute to different stages of a product's creation. This is particularly common in the shoe industry, where manual craftsmanship is prevalent. Additionally, women in the community run small stores offering various goods like food, clothing, handicrafts, or provide services such as massages and beauty treatments. Amanah Ista supports a group of women by providing loans, and these women collectively share the responsibility of loan repayment and interest payment. Amanah Ista organizes regular group meetings to ensure effective management of the loan obligations.



Country: Indonesia
Local MVM partner: Wanita Abadi

Impact: Wanita Abadi provides diverse training programs to equip women with the knowledge and skills required to start their businesses. A mandatory training for loan recipients focuses on strengthening entrepreneurship. Additionally, upon request, cooking training sessions are available, including a special emphasis on baking skills. These trainings cater to the specific needs of the women, offering valuable support for their entrepreneurial pursuits.



Country: Laos
Local MVM partner: MHP

Impact: Laos, a developing nation, has made significant strides in reducing poverty, with the poverty rate halving in the past two decades. However, poverty and malnutrition still persist as significant challenges. The recent COVID-19 crisis further exacerbated the situation, disrupting trade with neighboring Thailand and Vietnam. In this context, MHP prioritises addressing the specific issues faced by women and actively contributes to their empowerment, engaging their partners in the process as well.

In 2022, MVM provided funding to MHP for a new project in Bokeo, a disadvantaged area in northern Laos near the Myanmar border. This funding aims to support at least 30 women in achieving economic self-sufficiency. MHP is actively conducting research to understand the specific needs of these women and develop customized strategies for their successful participation in the project. Working closely with each individual, MHP assists in creating business plans and identifying the necessary training, potentially involving their partners as well. Many women choose income-generating activities that enhance food and financial security, such as investing in small livestock. MHP offers guidance on animal care and facilitates a supportive network among the women.