Dear Dining For Women’s Grant Committee and Members,

We want to thank you for your generous support of Village Enterprise’s programs this past year, and to share how we used Dining for Women’s grant of $15,000 received in August 2013.

Your support allowed Village Enterprise to equip women living in extreme poverty in the Budongo Area with the resources to create sustainable businesses. By providing start up grants, business training, ongoing mentoring, and business savings programs to hard-working Ugandan women, we can break the cycle of poverty. Thank you for joining us in our effort to eliminate extreme poverty!

Outcomes and Key Steps in Achieving These Results

Village Enterprise has continued deploying it integrated conservation and microenterprise development program around the Budongo Forest. Since August 2013, we started and funded 186 small businesses in the Budongo Forest area, of which Dining for Women supported 60 women-led businesses. Village Enterprise undertook the following key steps to successfully implement the expansion of our innovative and cost-effective microenterprise development program in the Budongo Area:

- Selected 558 entrepreneurs through an in-depth qualification process
- Verified that each participant's income is below the poverty level based on our assessment tools
- Assisted 186 business groups in creating a business plan
- Provided 266 business and financial literacy training sessions. Our training program is composed of 14 modules of 2-3 hours provided mostly in the first 6 months after group formation. Topics include profit and loss concepts, marketing, basic bookkeeping, and basic savings concepts
- Disbursed an initial $100 seed capital grant to start each business
- Supplemented training with mentoring for one year
- Provided a $50 follow-up grant if operational milestones were met
- Provided training for, and organized business owners into 19 Business Savings Groups of 10 businesses

Because of the integration of conservation principles and training into Village Enterprise’s program in the Budongo area, our staff has partnered with local conservation organizations, notably Ugandan Wildlife Authority (UWA) and the Jane Goodall Institute.
Most Recent Program Performance Measurement’s Results:

Using the Grameen Foundation’s Progress-out-Poverty Index (PPI), in-house surveys and forms and Consumption Expenditure recall, Village Enterprise collects baseline and endline data on sustainability metrics, housing conditions, education, clothing, nutrition, and savings on all the businesses started in Kenya and Uganda. Consumption expenditure recall is conducted on a 10% random sample 3 times a year at baseline and endline. The results of this Internal Program Performance Measurement for businesses graduating in November 2012 indicates that, after Village Enterprise’s one-year program, the livelihoods of the households who participated in the program improved significantly as the indicators on the graph above demonstrate.

Changes to Goals, Timeline, Implementation and funding

Staffing:
Finding the proper business mentors with the passion, dedication and skills set to maintain the high quality of implementation the organization requires has been difficult. Turn-over of the management team has been a challenge but also in other instances a source of pride for the organization: Nicholas Businge, our highly esteemed Field Coordinator for the Budongo Program, was granted a prestigious scholarship to pursue a masters degree in the UK (was one of 20 selected out of a very competitive applicant pool of 3,000) and left the organization in September 2013. He notified that his work on the Budongo Program has been the inspiration to continue studies in Environmental law & policy.
Crop-raiding:
Because of high incidence of crop-raiding by baboons, agricultural businesses very close to the Forest have suffered. Therefore we have seen an increasing amount of livestock businesses flourishing in the Budongo area.

Tree-planting:
The on-farm tree planting pilot project designed by the team has been postponed due to lack of funding for that initiative.

Integration of “Resource Sustainability” across all our operations:
In serving those living in extreme poverty, we recognize that natural resources are an important asset and/or safety net to business owners livelihoods in all geographic areas, not next protected areas, corridors or hotspots. Thus, we are transitioning from the term “Conservation” to a broader definition of “Resource Sustainability”. Activities in the upcoming year will focus on introducing an integrated concept of sustainable livelihood assets, increasing support for business owners with more relevant and participatory learning, exchanging research and project findings with industry partners to continue to pursue best practices, and to create multi-year plans by region for strategic and development purposes.

Funding Partners in the Budongo Forest Area:
The Arcus Foundation, the world’s largest private funder of great ape conservation and welfare and Village Enterprise’s first major institutional funder ($100,000 two-year grant in 2009), visited our Budongo program in early September; They were very impressed by the high-quality and impact of our program and are very seriously considering funding the expansion of our program in Southwestern of Uganda around the Bwindi Impenetrable National Park, one of the richest ecosystems in Africa notable for its 340 Bwindi gorillas, half the world’s population of the critically endangered mountain gorillas. They also facilitated a partnership with the Budongo Conservation Field Station to implement our microenterprise development program as alternative livelihood for hunters living next to the Budongo Forest.
Finally, we were awarded our first USAID grant (as a sub-contractor of FHI360) which will be partly implemented in the Budongo area.

Progress and Innovations at Village Enterprise in 2013

Monitoring and Evaluation (M&E)
During the past year, the field team has strengthened our internal M&E systems and rolled out a mobile data collection process. Village Enterprise pioneered a Google.org project called Open Data Kit, which allows us to collect all field data on smart phones and has now been adopted by other NGOs such as BRAC-Uganda. Our staff is currently using smartphones generously donated by the Motorola Mobility Foundation to roll out this project.

Additionally, to provide further rigorous evidence of our impact, Village Enterprise launched an independent, three-year Randomized Control Trial (RCT) to formally evaluate the components of our program against a control group, thanks to a $1 million, multi-year grant from a large philanthropic advisory firm. The RCT began in October 2013, and will
be implemented by BRAC’s Research and Evaluation Unit. The results of this study will not only guide future changes to our program, but also contribute to the ongoing policy debate on the creation of sustainable mechanisms for poverty alleviation among the rural ultra-poor.

“Businesses-in-a-Box”
To increase business profitability, we rolled out additional “Businesses-in-a-Box” (packages of assets to run a particular type of business, in lieu of cash grants), as we concentrate on offering our new business owners higher-profit margin business options. Examples include Irish potatoes and beehives in partnership with Honeycare Africa (for honey and crop pollination).

S.M.A.R.T. - Smarter Market Analysis Risk Tool
In the past year, we were named a Rockefeller Foundation Next Century Innovator for our S.M.A.R.T., Smarter Market Analysis Risk Tool. Employing mobile data collection technology, the S.M.A.R.T. identifies top-performing agricultural businesses on a region-by-region basis. This tool allows us to recommend greater-demand, higher-profit, or lower-risk crops to subsistence farmers interested in crop-based businesses. We are now using this tool in Uganda and Kenya, gathering data via Open Data Kit (ODK), and continue to refine the data collection process and analytic module of the S.M.A.R.T.

Inspired by the success of S.M.A.R.T., Makerere University and Village Enterprise hosted a knowledge-sharing workshop in Kampala in February 2014 entitled “Five Acres or Less: Agricultural Planning for Small-Scale Farmers in East Africa”. It was a two-day workshop where 60 Top Agronomists from East Africa, including the Dean of Nairobi University School of Agriculture (Prof. Solomon Shibairo), Senior Lecturer of Kenyatta University School of Agriculture (Prof. Maina Mwangi), the Principal of the School of Social Sciences and Humanities of Makerere University (Prof. Edwards Kirumira), and a large representation from Kenya Agriculture Research Institute, Makerere University and USAID, came together and pool their vast expertise and unique perspectives.

The goal of the workshop was to make tangible progress against the pervasive challenges that prevent small-scale farmers from moving beyond subsistence-level production into sustainable, profit-generating activities.

Business Savings Groups
We also have good news to report on our Business Savings Group (BSG) program launched last year. On average across Kenya and Uganda, each BSG saved $877 in one year.
Use of Funds

<table>
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<tr>
<th>Expense</th>
<th>Amount</th>
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<tr>
<td>Seed Capital Grants</td>
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<tr>
<td>Business, Financial Education and Conservation Training</td>
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<tr>
<td>Business Mentoring</td>
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<td>Monitoring &amp; Evaluation</td>
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<td>Administration</td>
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<td><strong>Total</strong></td>
<td><strong>15,000</strong></td>
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We want you to know that your contribution is significant to Village Enterprise, and that we apply a great deal of diligence to ensure that your philanthropic investment makes the greatest impact possible.

Our women business owners **thank you very much** for Dining For Women’s generosity. Your support has empowered them to break the cycle of poverty by creating sustainable income-generating microenterprises in the Budongo Region of Uganda.

With gratitude,

Dianne Calvi
President & CEO

Caroline Bernadi
Sr. Director of Institutional Giving

**Blog-style summary of impact:**
Poor women in Africa are often the least likely to have access to food, water, and other basic needs. 7 out of 10 of the world’s hungry are women and girls.¹ When you support women business owners in Western Uganda through Village Enterprise, you empower them and impact the health and welfare of their families.

¹ United Nations World Food Program