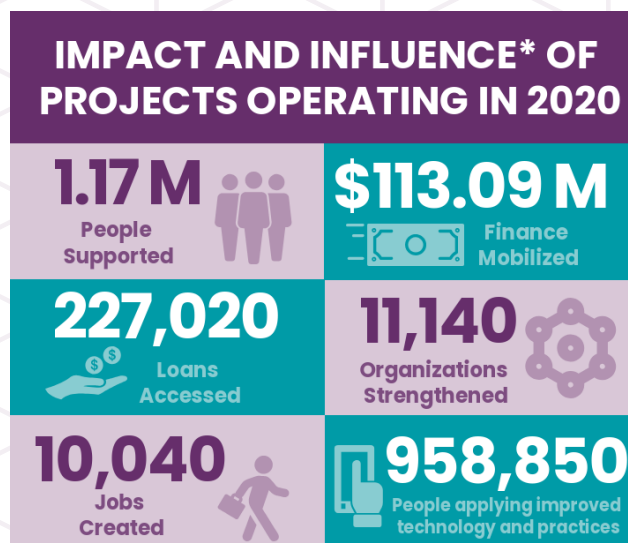


(RE)VISION 2020



ACDI  VOCA
ANNUAL REPORT

OUR 2020 IMPACT



OUR FIVE PRACTICE AREAS

We empower people to make positive changes in their lives by applying our expertise in the following five practice areas which interact in unique and exciting ways.



(ACIDI/VOCA is a 501(c)(3) non-profit under the U.S. Tax Code.)

*Figures represent Life of Project data at the conclusion of FY2020

OUR THREE LINES OF BUSINESS

We deliver our technical expertise and locally driven market solutions through our three lines of business:



ACDI/VOCA is a partner for the U.S. government and also responds to non-U.S. government official development assistance and host country government opportunities.



Tanager is an international nonprofit that connects people and partners, including foundations and corporations, to unlock the full potential for shared market opportunities.



AV Ventures provides innovative financing to small and medium enterprises in West Africa and Central Asia through relationships with financial institutions and investors.

Together, we bridge diverse stakeholders in shared development efforts, while combining our resources and on-the-ground presence to achieve lasting impact.

LETTER FROM THE BOARD CHAIR AND PRESIDENT & CEO

We are proud to present our **Annual Report for 2020: (Re)Vision 2020**.

A year ago, when we were writing our letter for our 2019 annual report, it was very clear that 2020 would be impacted dramatically by the global COVID-19 pandemic, but we had no way of knowing exactly how and for how long. This period – unique in any of our experience – has reaffirmed the value of resilience. Our teams around the world pivoted very rapidly to the unexpected demands placed on them to revise and adapt our ways of working and our project implementation plans. Hence our theme for this year of **(Re)Vision 2020**.

The impact of the pandemic varied significantly by country across our project portfolio, but the programmatic damage was minimized in even the worst-affected regions. As a result, our 2020 financial performance tracked very closely what we experienced in 2019, and we finished 2020 in a very strong financial position. Thus far in 2021, we are seeing a return to more robust growth in our operations, despite the fact that the effects of the pandemic remain significant in many parts of the world. As we commented in last year's letter, the devastating effects of the pandemic on food security and livelihoods mean that ACIDI/VOCA's mission is more important than ever.

In 2020, we implemented **45 programs** in **26 countries** in Africa, Asia, and Latin America. This report illustrates that by highlighting our work in several countries:

- A nearly 50-year legacy in **Ethiopia**
- A decade of advancing crop value chains in **Ghana**
- (Re)vision of market systems resilience in **Honduras**
- (Re)vision of private sector partnerships in **Bangladesh**
- (Re)vision of business models in **Kenya**
- Fundación ACIDI/VOCA in **Colombia**
- ACIDI/VOCA volunteer programs in **Laos** and **Kyrgyzstan**

For almost 60 years, ACIDI/VOCA has been harnessing the power of markets to help farmers, small businesses, rural communities, and vulnerable groups to prosper in the global economy. As always, we are grateful for the commitment of our skilled and dedicated partners.

This period has reaffirmed our core value of resilience. Our teams pivoted rapidly to revise and adapt our ways of working. Hence our theme for this year of (Re)Vision 2020.



Deb Atwood
Deborah Atwood
Chair, Board of Directors



Ch Hall
Charles J. Hall
Chief Executive Officer

WHERE WE WORK

2020 PROJECTS

27 CLIENTS

- ACUMEN
- AGENCIA NACIONAL DE TIERRAS
- BILL & MELINDA GATES FOUNDATION
- CHEMONICS
- CITI FOUNDATION/CAF
- COLOMBIAN INSTITUTE FOR FAMILY WELFARE
- DAI
- ECOVENTURES INTERNATIONAL INC
- ENCOMPASS
- FEDERAL GOVERNMENT OF NIGERIA
 - MINISTRY OF WATER RESOURCES
- FINTRAC INC.
- GOVERNMENT OF COLOMBIA
 - ALCALDIA DE BOGOTÁ
- HELVETAS SWISS INTERCOOPERATION
- INTERNATIONAL FOOD POLICY RESEARCH INSTITUTE
- INTERNATIONAL COMMUNITY FOUNDATION
- ISLAMIC DEVELOPMENT BANK
- MARS WRIGLEY
- RCB INTERNATIONAL
- SOCIÉTÉ ANGLOGOLD ASHANTI DE GUINÉE
- SYMRISE
- TETRA TECH ARD
- THE STATE OF THE NETHERLANDS
 - FOREIGN TRADE AND DEVELOPMENT COOPERATION
- UNITED STATES AGENCY FOR INTERNATIONAL DEVELOPMENT
- UNITED STATES DEPARTMENT OF AGRICULTURE
- UNIVERSITY OF FLORIDA
- WALMART FOUNDATION
- WORLD FOOD PROGRAMME

HOME OFFICE
WASHINGTON, D.C.

- ACDI/VOCA PROJECTS
- ACDI/VOCA and TANAGER PROJECTS
- TANAGER PROJECTS
- PAST PROJECTS

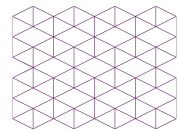
26 COUNTRIES

- | | | |
|---------------|---------------------|-------------|
| AFGHANISTAN | INDIA | PARAGUAY |
| ARMENIA | KENYA* | PHILIPPINES |
| BANGLADESH | THE KYRGYZ REPUBLIC | TAJIKISTAN |
| BURKINA FASO* | LAOS | TANZANIA* |
| COLOMBIA* | LIBERIA | UGANDA* |
| ETHIOPIA* | MALI | UZBEKISTAN |
| GEORGIA | MOZAMBIQUE | ZAMBIA |
| GHANA | MYANMAR | |
| GUINEA | NIGERIA* | |
| HONDURAS | | |

Clients managed by ACDI/VOCA's affiliate Tanager noted in orange. Effective December 2020

*Includes both ACDI/VOCA and affiliate Tanager projects.

(RE)VISION OF SUCCESS FOR FARMERS (2020 MILESTONES RESULTS)



Two of ACDI/VOCA's longest engagements concluded in 2020 – for the time being. Here's a look at the work and the impact of these projects.

A Nearly 50-Year Legacy in Ethiopia

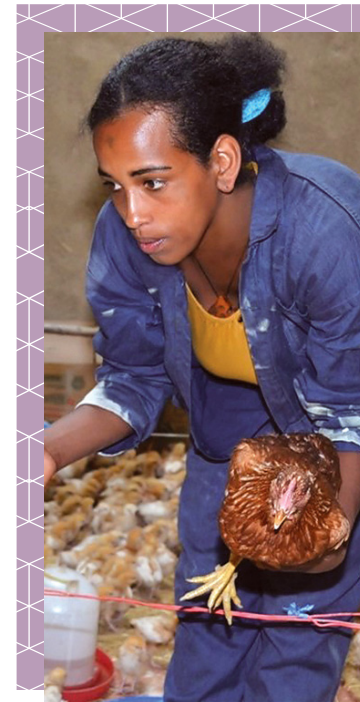
ACDI/VOCA's presence in Ethiopia started with the first Farmer-to-Farmer Program in 1971, with VOCA volunteers supporting farm recovery after the famine. In the ensuing years, we deployed 256 volunteer assignments to provide in-person training and mentoring in the country. Through 27 different programs, we supported coffee and cereal farmers and processors to improve their quality and access to export markets.

Since 2008, ACDI/VOCA has supported agro-pastoralists through the **Feed Enhancement for Ethiopian Development (FEED)** projects, FEED I, II, and III. FEED I and II strengthened farmers with on-farm livestock rearing and feeding practices and expanded livestock markets.

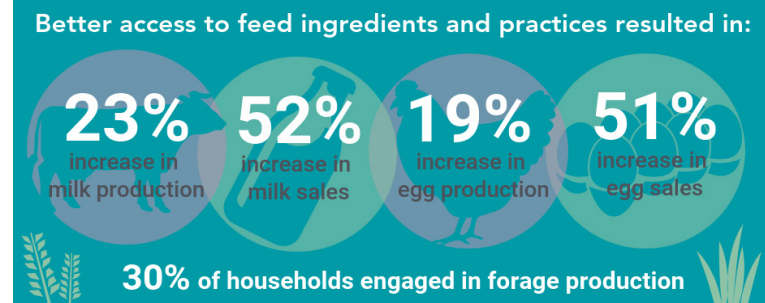
In 2020, we celebrated the conclusion of the **FEED III** Project, funded by the U.S. Department of Agriculture. FEED III built on the human and physical infrastructure investments of the prior projects to improve the performance of livestock enterprises sustainably at scale through increased participation of the private sector.

With animal feed representing **60 percent** of production costs, many Ethiopian farmers relied on low-quality forage — derived from crop residue and on communal pastures and rangelands —

which is typically low in energy and protein. It is also susceptible to drought and strained by conversion to crop production. FEED III strengthened value chains to make high-quality feed more affordable and accessible.



“Compared to the life situation we had before four or five years ago, currently our lifestyle has been improved.... Those who properly applied the concept of the training by [FEED III] accumulated wealth. Even some people built houses in the nearest town.... Before the project, we were entirely dependent on seasonal crop production. This time, if we fail to secure our food consumption from crop production because of natural disaster, we will escape the crisis by fattening animals.” — **FEED III Participant**



30% of households engaged in forage production because they had access to inputs through forage nurseries established by FEED III, compared to just 9% at the start of FEED II



In Ghana, maize, rice, and soybean are important commodities. 2020 marked more than a decade of strengthening these crop value chains through the **Feed the Future Ghana Agricultural Development and Value Chain Enhancement (ADVANCE)** Project, funded by USAID. Starting in 2009, ADVANCE I introduced the outgrower business (OB) model, in which OBs provided inputs and services to farmers in exchange for an agreed upon quantity of their produce at harvest. With better inputs and services, farmers began earning higher incomes. By 2014, ADVANCE II was continuing these efforts and working closely with the Ghanaian government and other partners.

ADVANCE II WORKED WITH



A Decade of Advancing Crop Value Chains in Ghana

INCREASED AVERAGE CROP YIELDS PER HECTARE

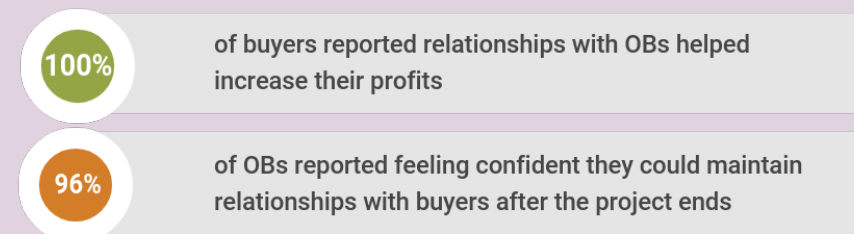
45% MORE MAIZE
189% MORE RICE
56% MORE SOYBEAN

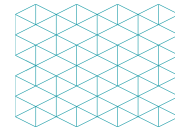
PROMOTED GENDER INCLUSION



ENSURED SUSTAINABILITY THROUGH OB NETWORKS

ADVANCE II ensured its sustainability of the OB model by creating 10 zonal and three regional OB networks to serve as business associations and to continue support long after the project ends.





ACDI/VOCA's approach to **Inclusive Market Systems** facilitates effective cooperation and healthy competition among individuals, communities, companies, and governments to build productive, equitable, and durable local economies. The approach proved an invaluable asset to our organization and the communities we serve during 2020, setting the stage for priority pivots, new visions for success, and local market recovery.

(RE)VISION OF MARKET SYSTEMS RESILIENCE IN HONDURAS

The COVID-19 crisis, followed by Hurricanes Eta and Iota, created simultaneous humanitarian and economic crises in Honduras. Many Hondurans lost their jobs and were forced to seek other ways to make ends meet, including outmigration to the United States.

Using the foundational tenets of ACDI/VOCA's inclusive market systems approach—trust and co-creation between partners, Collaborating, Learning, and Adapting (CLA) to mobilize response, and investing in local organizations to lead change — the **USAID Transforming Market Systems (TMS) Activity** forged a new vision for resilience.

DATA DRIVEN (RE)VISION

Amid significant market volatility, TMS recognized the need for clarity and priority action. The Activity and its partners mobilized 24 business chambers, a local university, and two government institutions to survey **1,178 enterprises** from 16 of Honduras's 18 departments, across **17 economic activities**, in just eight days to assess how well businesses were adapting to the challenges precipitated by the pandemic.

Business's resilience was directly aligned with its willingness to adapt; businesses that embraced e-commerce, diversified services, and found new buyers were likely to recover.

TMS and its partners quickly revised activities and schedules. Using an adaptive management approach coupled with a stakeholder-led process, stressed markets became more competitive, inclusive, and resilient during the crises.

ACDI/VOCA'S INCLUSIVE MARKET AND FOOD SYSTEMS APPROACH



FACILITATING INCLUSIVE, COMPETITIVE, RESILIENT, & NUTRITIOUS SYSTEMS

FINDING MARKETS CLOSER TO HOME

Prior to the pandemic, TMS supported JJ-Agro, a produce supplier, with a **\$200,000 investment** to start its first hydroponic strawberry production unit, cultivating 54,000 mother plants. When the pandemic struck, JJ-Agro's export channels to buyers like Walmart, were blocked. TMS linked JJ-Agro with produce delivery services based in Honduras to purchase its first harvest, avoiding product loss and creating pathways for future growth.

"Our clients are extremely satisfied with our product and we are now sold out of our first batch of strawberries. We are launching our first marketing campaign this week, and everything is thanks to the work and support of [the TMS Activity]."

— JJ-AGRO MANAGER

Since 2018, the USAID Honduras Transforming Market Systems Activity has facilitated **169 alliances** between **142 public institutions** and private organizations.

(RE)VISION

PRIVATE SECTOR PARTNERSHIPS IN BANGLADESH

Investing in partnerships with the private sector allows for more flexibility when disruptions like COVID-19 happen. In Dhaka, Bangladesh's capital city, the USAID-funded **Feed the Future Bangladesh Rice and Diversified Crops Activity** partners with Chaldal, the country's largest online grocer.

As orders started flooding in, the Activity helped Chaldal meet the demand and develop a more agile supply chain and new products, including rice, pulses, and oilseeds sourced from farmers supported by the Activity. When Bangladesh restricted travel, the Activity coached other businesses to report bottlenecks in agricultural supply chains. Farmers who were unable to travel safely could visit mobile Bayer Crop Clinics in their villages thanks to the Activity's partnership with Bayer Crop Sciences. And, as the pandemic led to cuts in financial lending, the Activity introduced a model in which banks contracted agents in rural villages who provided services to underserved communities.



(RE)VISION

OF BUSINESS MODELS IN KENYA

The first step many of our programs took during the pandemic was to assess the damage for businesses. In five counties of Northern Kenya, the USAID-funded **Feed the Future Kenya Livestock Market Systems Activity** worked with the International Livestock Research Institute and the Turkana Chamber of Commerce to survey the pandemic's effect on the livestock sector and 168 businesses.

In the town of Loiyangalani, the Activity earned the support of the local government and community when it co-invested in cage fish farming at Lake Turkana with Songoyo Enterprises. The investment will not only prevent overfishing but also connect entrepreneurs, distributors, and consumers to new market opportunities.



Mom-and-pop mills make most of Tanzania's maize flour, which is stripped of its nutrients during processing. To make fortification affordable, the Tanzanian NGO Sanku developed a dosifier, which mixes the right amount of nutrients into the flour. Sanku worked with the USAID-funded **Feed the Future Tanzania NAFKA II Activity** to provide millers with dosifiers. This allowed 37 millers to provide government-endorsed, fortified flour to nearly 100 schools.

"The trust that small-scale farmers hold in government information is powerful."

— James Flock, Chief of Party of the NAFKA II Activity, said in a May 2020 New York Times op-ed titled "In Africa, a Drive to End Malnutrition Meets Covid-19."

Mobile Money

With in-person commerce limited at best during the pandemic, mobile access to funds allowed business to continue.

To reduce the risks of cash transactions, foster financial inclusion among Ghana’s rural communities, and keep business flowing during the pandemic, the **USDA Ghana Poultry Project (GPP)** partnered with telecommunications service provider MTN to develop and train community members on a mobile money service (MoMo Pay) for the poultry sector.

1350 participants

representing all 15 communities

served by the project used MoMo Pay to continue their business operations during the pandemic.

“This MoMo thing was a lifeline to my business when COVID-19 struck.”

— Harriet Osei, the Managing Director of Oserby Farms Ltd, Kumasi, Ashanti Region



Manya Tewanje, a soybean farmer in Dagando, received her first mobile phone through the *Feed the Future Ghana ADVANCE II Project*. She was trained on digital payment platforms and was able to send and receive money immediately rather than waiting weeks as in the past.

Remote Training

Travel restrictions and quarantines didn’t stop ACDI/VOCA projects from conducting training crucial to business success.

The ACDI/VOCA-implemented **USDA Philippine Coffee Advancement and Farm Enterprise (PhilCAFE)**, funded by the U.S. Department of Agriculture, launched a radio-based distance learning program which covered everything from coffee farm site and land preparation to field planting and maintenance. The broadcast, which reached 445 coffee farmers in five provinces, aired simultaneously on the radio, local television, and via a live Facebook feed.



Siza Mikini communicates with input companies for her agro retail business using a tablet provided by *The Feed the Future Tanzania NAFKA II Activity*. The tablets, preloaded with training materials on good agricultural practices, were distributed to more than 50 participants.



Online Marketing

By taking advantage of digital marketing platforms, projects were able to address short-term needs in the market and keep local producers in business.

In Northern Kenya, safety concerns related to the pandemic caused the main egg suppliers from Nanyuki to stop supplying eggs to Isiolo. To fix the egg shortage, the **USAID-funded Feed the Future Kenya Livestock Market Systems Activity** helped create a WhatsApp group for poultry workers.

Through the popular messaging app, farmers have accessed 2,000 eggs, marketed their products, and shared tips on poultry management.



Social media groups helped the *USDA Ghana Poultry Project (GPP)* spread information about products stranded due to market closures. In just two days, the effort facilitated the sale of more than 5,000 crates of eggs.

Distance Service and Information

Providing needed services and information crucial during the pandemic was another area where digital access was leveraged to help make progress.

The arrival of the COVID-19 pandemic in Colombia did not stop the momentum of Venezuelan migrants and Colombian returnees from participating in **ACDI/VOCA’s Emergency Response in Arauca (ERA) II** program. More than 800 families put lessons learned through the project into practice.



The Feed the Future Bangladesh Livestock Production for Improved Nutrition Activity expanded the app Shurokkha, developed by its partner mPower Social Enterprises, to provide remote veterinary services and advice to local livestock service providers.

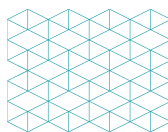
ERA II developed 45 podcasts and used phone calls and WhatsApp messages to share the program’s pandemic-adapted approaches and help families break cycles of dependence, feel empowered and self-confident, and develop leadership skills. To increase the spread of information, ERA II also used megaphones in the settlements to ensure all families had access to the content.

Local radio station Meridiano 70 converted the podcasts into soap operas, interviews, and stories free of charge, sharing the content on the station’s Facebook and Twitter pages. Each podcast reached between 10,000 and 15,000 people and was viewed between 900 to 2,000 times, reaching people all over Arauca and even Venezuela.



FUNDACIÓN
ACDI/VOCA LA

FUNDACIÓN ACDI/VOCA LATIN AMERICA



Fundación ACDI/VOCA Latin America (FAVLA), an ACDI/VOCA affiliate based in Bogotá, collaborates with companies and governments to transform people's lives and create positive changes in their communities through social and economic inclusion.

With the support of transformative partnerships, FAVLA implements programs that boost the inclusion of people who are traditionally excluded from global development efforts. INclusiónES is one such program that focuses on issues of diversity and inclusion, while DecidoSer is a program and methodology for offering psychosocial support to populations affected by violence, conflict, or other issues.

In 2020, FAVLA reached 10,000 people throughout 12 departments of Colombia with programs making sustainable social change and the inclusion of both urban and rural communities possible. These programs have the support of private and public partners, including Enel Green Power, Pepsico, Banco de Bogotá, Grupo AVAL, Fundación Texmodas, General Electric, the Bogotá Chamber of Commerce, the Colombian Institute of Family Welfare, and the National Land Agency.

Following the crisis brought on by the COVID-19 pandemic, FAVLA adjusted its strategies. Thanks to innovation, the use of new technologies, and virtual activities, FAVLA successfully implemented programs without disruption, despite the many restrictions and safety protocols put in place.



COLLABORATION PROVIDES (RE)VISION FOR WATER ACCESS IN LA GUAJIRA

Colombia's largest and northernmost department, La Guajira, boasts 1,642 kilometers of striking Caribbean coastline. However, its 8,200 square kilometers of inland territory are almost entirely arid desert. Fresh water – essential for cooking, bathing, and of course, drinking is extremely hard to come by.

As a result, communities – including a uniquely diverse population of indigenous Wayúu, Afro descendants, and Venezuelan migrants – are vulnerable to prolonged periods of drought, coupled with sicknesses that arise from suboptimal water collection and filtration methods.

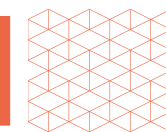
Fundación ACDI/VOCA LA is working alongside Wayúu communities, the Ministry of Housing, Enel Green Power, the Colombian Army, and Uribia and Maicao Mayor's Offices to build or renovate 16 pond like reservoirs ("jagüeyes" in the Wayuunaiki language) in the region. The **\$800-million** initiative promotes access to safe water and strengthens resilience and adaptability in the face of climate change for more than **3,000 people** from 22 Wayúu communities.

In this true public, private partnership, Wayúu leaders identified the best locations for each of the jagüeyes, while the private company and the army's engineering division contributed machinery and technical assistance. In tandem, Fundación ACDI/VOCA LA and USAID's Program of Alliances for Reconciliation (PAR) supported the involved government agencies in the innovative and sustainable design for the jagüeyes.



Wayúu leaders, army engineers, and government officials work together with Fundación ACDI/VOCA LA to design and construct 16 reservoirs benefitting 22 Wayúu communities.

ACDI/VOCA VOLUNTEER PROGRAMS



VOLUNTEER CHAMPIONS THE (RE)VISION OF COMMUNICATION

When volunteer Philip Nalangan landed in Laos in January 2020, his vision was to spend three months helping USAID Laos Microenterprise to design communication products, increase the project's presence on social media, and recruit the permanent outreach specialist. The pandemic changed everything when health and travel restrictions prevented Philip from attending public events, conducting field visits, or even going into the office.

Relying on technology, Philip quickly adapted to the new reality and continued to provide communications support to the project – virtually. When it became clear that finding a local outreach expert was not feasible, he identified an existing team member with interest in communications and worked patiently to build their capacity and develop training for staff and project partners. Philip's assignment extended far beyond the original timeframe because of international travel restrictions, but even after he was finally home in the Philippines, he continued to provide training and mentoring to the Laos team.

"Being a volunteer was one of the most unforgettable experiences of my life, and I am happy that I had this opportunity with ACDI/VOCA. I see the world as a never-ending possibility for change, and I look forward to volunteering again," says Philip.



"As a volunteer, don't travel with your own expectations – travel not knowing what to expect, and it will make the volunteering experience so much more rewarding."

— Philip Nalangan

2020 VOLUNTEER OF THE YEAR



Daniel Flaherty, a farmer from the State of New York who volunteered four times in Kyrgyzstan, **won the 2020 Farmer-to-Farmer Volunteer of the Year Award** for his successful outreach efforts.

49 **780** **6** **30%**

Number of volunteer assignments Volunteer days Countries Women volunteers

2020 VOLUNTEER IMPACT

\$541,000

Cost leveraged through volunteer time and donated goods

Small- and medium-sized enterprises (SMEs) represent more than 50 percent of global employment and are crucial to achieving ACIDI/VOCA’s mission of increasing economic prosperity and social inclusion. The International Finance Corporation estimates the financing gap for these SMEs — often described as the “missing middle” — as **\$5.2 trillion** every year. SMEs lack financing because they are too large for microfinance institutions but too small for large traditional investors. These viable businesses would benefit from patient capital or longer-term, flexible financial products and technical assistance to invest, upgrade, and grow.

ACIDI/VOCA’s subsidiary, AV Ventures LLC, formed in 2017 to help close this gap by providing innovative, catalytic financing to agribusiness SMEs in select emerging markets where we work. Such investments provide better economic opportunities for communities and generate social impact through more inclusive, responsible supply chains.

Our first fund, AV Ventures Ghana, a **\$3.6 million** blended finance vehicle, has created more than 100 new jobs. The fund has also linked more than 2,000 smallholder poultry farmers to markets, increasing incomes by 20 percent, and linked more than 500 micro entrepreneurs — 40 percent of whom were women — to capital. This successful pilot fund creates a viable path toward a regional West Africa Fund and is a major part of our long-term vision of a “bridge to investability.” And we’ve been busy in 2020 supporting our investee partners, making investments, and building out new impact investing initiatives.

NAVIGATING TURBULENCE IN 2020

In 2020, despite severe supply chain disruptions and a 77 percent decline in foreign inflows to Africa and Central Asia, according to the United Nations Conference on Trade and Development, AV Ventures supported its portfolio of investee companies, while adding three exciting new investments in two regions totaling more than **\$1.2 million**. In addition to Warc Group, this includes investments in AgroCenta, an early-stage agri-tech company in Ghana that uses its mobile platform to provide farmers with access to market information, crop storage, delivery solutions, and financial services as well as Furuz, a microfinance institution in Tajikistan with **4,283 clients, 1,280 of whom are women**.

INVESTEE SPOTLIGHT: WARC GHANA

In 2020, AV Ventures invested **\$500,000** in the Warc Group to support the expansion of its operations in Ghana. Warc Group runs agricultural production and consulting operations in West Africa. The investment comes in the form of a risk-sharing, revenue-based loan with a return linked to the Warc Group’s revenue growth. With the support of AV Ventures, Warc Ghana will replicate Warc Group’s Service Delivery Unit (SDU) model by enabling 3,000 smallholder grain farmers to access markets, trainings, inputs, and mechanization services to help them improve their productivity and incomes. Positive impacts of the investment include:

PROMOTES ENVIRONMENTAL BENEFITS

Warc Ghana will continue the use of its sustainable, no-till farming methodology with smallholder farmers. This will improve soil fertility and result in positive environmental impact.

COPES WITH PANDEMIC DISRUPTIONS

The COVID-19 pandemic caused disruptions in Ghana’s local supply chains that jeopardize food security. The revenue-based loan provided to the Warc Group injects new liquidity into the food and agricultural sectors, sharing risk with Warc Ghana and enabling them to increase the production of maize and soybeans and bridge the supply gaps caused by COVID-19.

TRANSFERS KNOWLEDGE AND SKILLS

Through the SDU model, Warc Ghana trains smallholder farmers, which allows the farmers to benefit from new knowledge of agronomic practices, skills, and connections. This will help smallholder farmers improve their yields, land use, and incomes, thereby facilitating their eventual transition from subsistence to commercial farmers.



IMPACT FUND FOR NORTHERN KENYA LAUNCHES

The Impact for Northern Kenya Fund (the Fund) launched in December 2020. This **\$5 million** whole-sale financing vehicle lends catalytic capital to financial institutions for on-lending to microenterprises and SMEs in counties within Kenya’s Frontier Counties Development Council (FCDC) region.

The Fund is financed by USAID Kuza, a USAID-funded program that develops and supports economic opportunities in Northern Kenya. To maximize its leverage, the Fund’s financial institution borrowers are required to commit matching capital to the FCDC region. In addition to capital, USAID Kuza and the Fund also provide technical assistance to financial institution clients on financial products, business planning, governance, marketing, and business analytics.

As a USAID program-related investment vehicle, the Fund finances clients that are drivers of economic and social growth. Through its loans, the Fund de-risks lending in Northern Kenya, where costs are often higher due to additional security and lack of hard collateral. The Fund will also ensure access to finance among marginalized groups and create the opportunity for income diversification among pastoralist communities.

To ensure local participation in the Fund, counties within the FCDC region will support the Fund through philanthropic fundraising, the establishment of sidecar investment funds, pipeline development, tripartite financing agreements, and incentives to borrowers. The Fund was designed to be fully self-sustainable, and its operations will continue beyond the life of USAID Kuza.

CENTRAL ASIA IMPACT FUND LAUNCHES

AV Ventures and several local partners launched the **Central Asia Impact Fund (CAIF)** in March 2020 to finance high-potential microenterprises, SMEs, and microfinance institutions in Kyrgyzstan, Kazakhstan, and Tajikistan. The fund was capitalized with an anchor investment of **\$2 million** from KMF Demeu, a Kazakhstan-based social investor founded by ACIDI/VOCA in the 1990s. CAIF is managed locally by AV Frontiers, a Bishkek-based investment firm founded jointly by AV Ventures and Kyrgyzstan-based Frontiers.

SUPPORTING RESILIENCE THROUGH FINANCIAL INCLUSION

In December 2020, AV Ventures and AV Frontiers successfully closed and disbursed a **\$300,000** loan to Furuz, a microfinance institution in Tajikistan. The loan will provide liquidity when other sources of funding are scarce, allowing this high-potential microfinance institution to recover from COVID-19 and support its country’s economic revival. Furuz is using the money to help citizens affected by the pandemic rebound, providing a lifeline in a dry funding landscape.



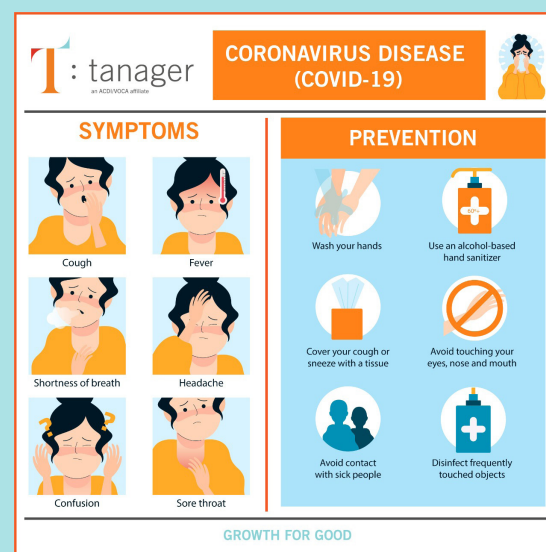
2020 tested one of Tanager’s core values, agility. Beginning in February, our work and world was transformed by the COVID-19 pandemic. As the communities we serve faced unprecedented challenges to food systems and market access, Tanager pivoted to meet these new needs. We prioritized the safety of project participants and staff while continuing our mission of co-creating life-changing opportunities. Our funding partners stood with us. Our staff learned new and innovative ways of connecting with people to continue supporting the communities we serve. Our leadership reviewed our policies and procedures to ensure Tanager’s inclusivity and resilience. As we review this historic year, we are humbled by the response of our partners, staff, and communities where we work.

ENGAGING FARMER PRODUCER COMPANIES TO SLOW COVID-19 IN INDIA

Across India, Tanager works with Farmer Producer Organizations (FPOs) and Farmer Producer Companies (FPCs) to improve the lives and livelihoods of smallholder farmers. Smallholder farmers – when brought together in an FPO or FPC – are better able to access training, increase productivity and profitability, negotiate with buyers, and access markets. FPOs and FPCs can also help farmers mitigate the effects of the pandemic.

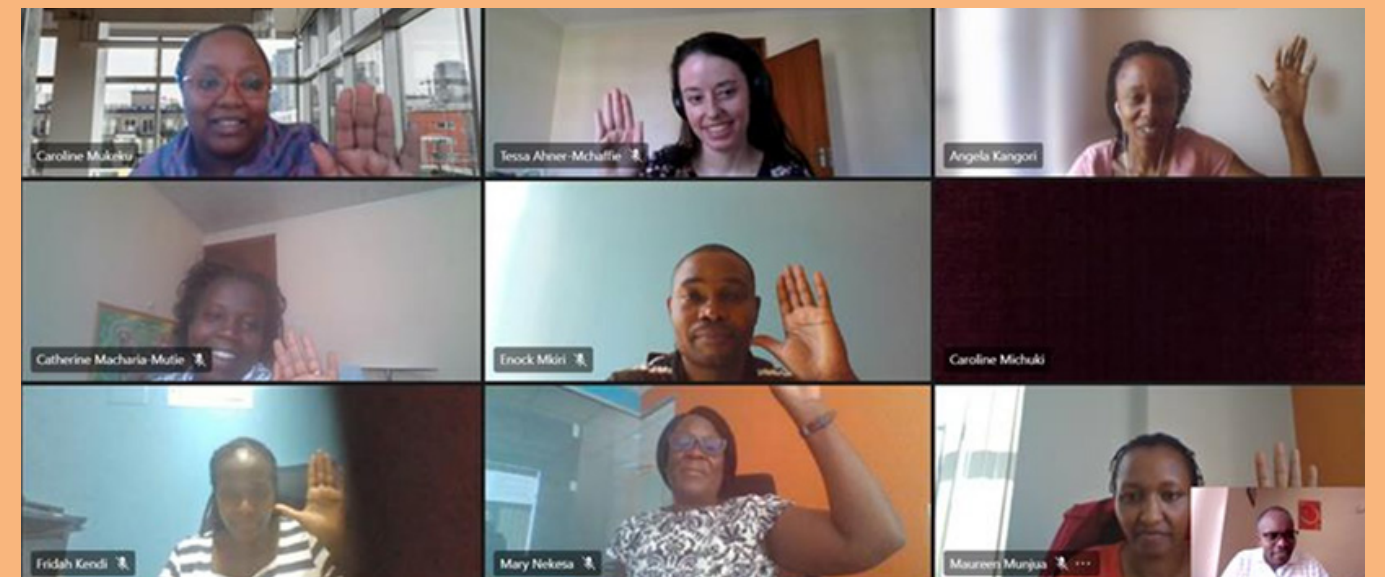
In 2020, after the Indian government announced that agricultural production was essential to maintain the supply of food, Tanager’s community-based staff interacted with members of the Shubh Vikalp Farmer Producer Company, Fatehpur (established under the Mars Inc-funded Shubh Mint program in India) to adapt their farm input shop to COVID-19 restrictions. Working with Tanager’s team, the input shop made face masks available to all employees, educated farmers on the use of face masks, installed hand wash stations, mandated regular sanitizing of the input shop, and required face masks during the loading and unloading of goods.

These actions helped the Shubh Vikalp FPC remain open and generate a revenue of **INR 11,33,289 (\$15,294 USD)** and serve 501 farmers between May and June of 2020. Tanager implemented these same recommendations in two other FPCs formed under the Shubh Mint project.



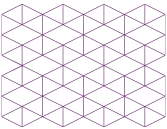
IGNITE SHIFTS TRAINING TOOLS & DATA COLLECTION TO VIRTUAL DELIVERY, WORKS WITH LOCAL SERVICE PROVIDERS

Tanager works at the intersection of agriculture, nutrition, and gender. The pandemic tested the resilience of food systems and women’s economic empowerment. The Impacting Gender & Nutrition through **Innovative Technical Exchange in Agriculture (IGNITE)** project works with Africa-based institutions – be they NGOs, businesses, or government entities – to incorporate gender sensitive and nutrition sensitive approaches into their ways of doing business. During COVID-19 the team pivoted from in-person to virtual trainings, using the tools developed under the IGNITE project to drive change and promote resilience within organizations.

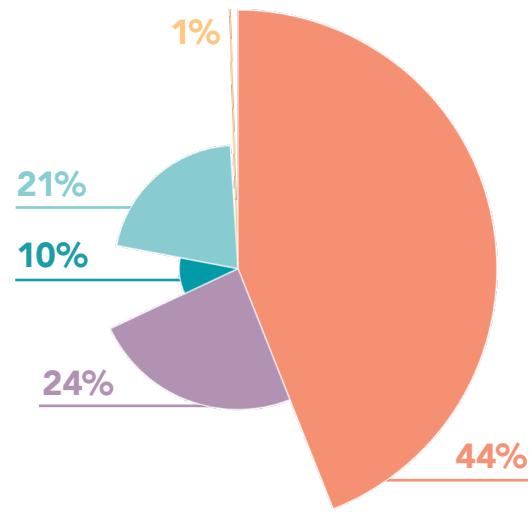


IGNITE has created powerful tools for organizations to assess their own internal policies and procedures to better incorporate gender and nutrition sensitive approaches. Working with content delivery specialists, IGNITE has created digital tools that allow organizations to assess their performance without needing an in-person visit with IGNITE staff. These trainings include an “IGNITE 101” course that provides an easy point of entry for institutions looking to improve integration of gender and nutrition sensitive approaches. All the IGNITE tools are digital and sharable– which is key to their adoption during the pandemic. IGNITE has also pivoted to phone surveys to inform its learning agenda and hired local service providers to reduce the range of travel needed to provide guidance. Due to these efforts, IGNITE continues to grow its client base and achieve the funders vision for the project.

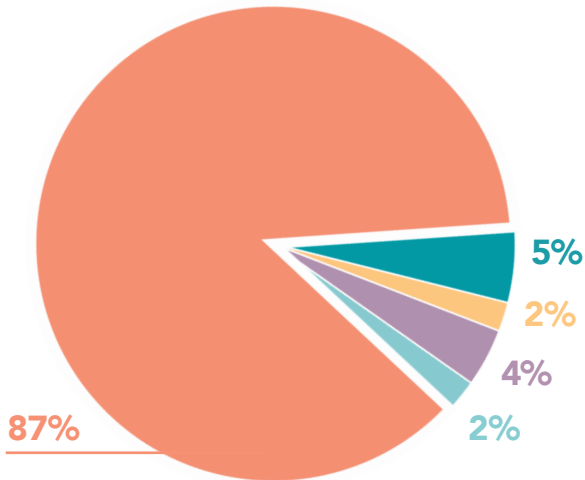
2020 FINANCIALS



REVENUE BY REGION



FUNDING SOURCES



SUPPORT AND REVENUE

Contracts and grants	\$90,805,865
In-kind support	\$598,469
Income from foreign affiliates	\$1,989,998
Contributions	\$730,109
Other	\$878,274
Total support and revenue	\$95,002,715

EXPENSES

Overseas program expenses	\$72,281,292
General and administrative	\$21,956,940
Total expenses	\$94,238,232

NET ASSETS

Change in net assets from operations	\$764,483
Other changes to net assets	(\$6,029,024)
Total change in net assets	(\$5,264,541)
Without donor restrictions, beginning of year	\$13,611,581
Without donor restrictions, end of year	\$11,801,861
With donor restrictions, beginning of year	\$12,864,570
With donor restrictions, end of year	\$9,409,749

Includes ACDI/VOCA, Tanager, AV Ventures, AV Ventures Ghana, FAVLA, and affiliated financial institutions. Figures are in U.S. dollars.

ACDI/VOCA BOARD OF DIRECTORS

FEBRUARY 2021

Chair

Deborah Atwood
Executive Director,
AGree: Transforming Food
and Ag Policy
Senior Fellow, Meridian Institute
Washington, D.C.

Vice Chair

Timothy Beans
Consultant
Arlington, Virginia

Audit and Risk Management Committee Chair

Luis Sahmkow
Vice President and Treasurer
AgriBank
Chaska, Minnesota

Governance Committee Chair

Elizabeth Keck
Practitioner-in-Residence, China Studies
School of Advanced International Studies
Johns Hopkins University
Bentonville, Arkansas

Leslie Durschinger
Founder
Terra Global Capital
San Francisco, California

Andrew Gilbert
Board of Directors Member
CoBank
On-Farm Financial Consultant
Cornell University's NY FarmNet
Potsdam, New York

Christopher Cochran
Founder and Principal
Good Food Advisors
Berkeley, California

Shonda Warner
Managing Partner
Chess Ag Full Harvest Partners
Kansas City, Missouri

Charles J. Hall
Chief Executive Officer
ACDI/VOCA
Washington, D.C.

EXECUTIVE LEADERSHIP TEAM

Charles J. Hall
Chief Executive Officer

Sylvia J. Megret
President & Chief Operating Officer

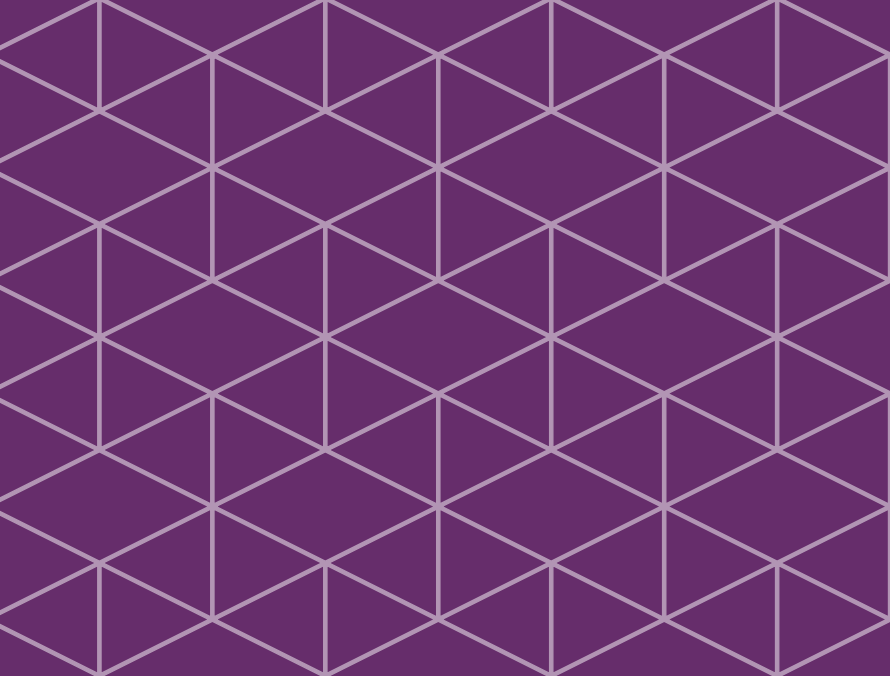
Anita D. Bhatt
Chief Financial Officer & Treasurer

Luke C. Pingel
Chief Legal Officer

Gevorg Adamyan
Chief Integration Officer

Ana Bilik
President, Tanager

Robert Fries
President, AV Ventures



Our **mission** is to achieve better lives
for people and communities
by increasing economic prosperity
and social inclusion.

Join us in our mission.

ACDI/VOCA is a trusted global development partner based in Washington, D.C.
Since 1963, our economic and social development projects have worked to create
a more livable world for vulnerable populations in developing countries. We engage
governments, private companies, financial institutions, and communities in the design
and implementation of our projects and employ more than 1,000 people globally.



50 F Street Northwest, Washington, D.C. 20001
+1 202 469 6000 | acdivoca.org | Follow Us @acdivoca

