



2012 - 2020

WORLD VISION TANZANIA
economic empowerment strategy

THE PAMOJA STORY

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who we are

World Vision Tanzania (WVT) is a Christian development, relief and advocacy non-governmental organization dedicated to working with children, families and communities to overcome poverty and injustice. We work through a unique partnership with VisionFund Tanzania (VFT) and the Great African Food Company (GAFCo), both subsidiaries of World Vision. Together, we aspire to restore hope to the children of Tanzania by an empowerment approach, fostering resilient livelihoods so parents can feed, nurture and educate their children, building up a new generation that does not rely on charity.

the context

Tanzania's population is 51 million • 22 million are children • 36% of family members are living on less than \$1.25 a day • that's 7.9 million children living in extreme poverty • 80% of those families engage in agriculture • that's 6.3 million children of poor farmers • most farm just to feed their families • they lack good seeds • lack irrigation • lack markets to sell their crops • only 9% have access to financial services • only 4% have ever received a bank loan • climate change is having an impact • droughts now occur every 2 to 4 years • a fatalistic attitude and dependency mindset are culturally ingrained into their worldview • Tanzania ought to be the breadbasket of Africa • it has been blessed with resources • there is a surplus of arable land • soil quality is good • there is plenty of water in most regions • World Vision has had a presence in Tanzania for 34 years • it operates in 13 of 30 regions • it runs 55 Area Development Programs (ADPs) • it is one of the largest largest civil society organizations in the country • it is trusted and well respected in all the communities it has reached • World Vision has an unparalleled platform for changing the lives of poor children, especially the 7.9 million still living in extreme poverty.

pamoja

Pamoja, which means together in Swahili, helps smallholder farmers increase their incomes by treating farming as a business. Following successful alpha and beta tests, Pamoja is being expanded into new areas to impact more children, while adjusting its model for effectiveness and efficiency. Once fully rolled out in Tanzania, Pamoja aims to directly improve the well-being of 697,500 children by increasing their families' incomes to at least twice the extreme poverty line of \$1.25 per day. This is a promising start, but still falls short of the 7.9 million children living in extreme poverty. That's why World Vision is promoting self-funding and self-replicating institutions such as VFT and GAFCo that will keep on transforming lives long after the donor funding is spent.



World Vision tanzania

is a Christian development, relief and advocacy organization dedicated to working with children, families and communities to overcome poverty and injustice. VFT and GAFCo work alongside WVT to transform the lives of impoverished families, most of whom are subsistence farmers. WVT begins with mindset change, teaching Empowered Worldview as an alternative to fatalism and dependency. Next, we organize savings and producer groups as forums for generating income and addressing issues of health, nutrition, water, sanitation and hygiene (WASH) and education.



**three
in one**



Empowered
Worldview



Savings &
Producer
Groups



Community
Voice & Local
Government
Action



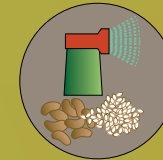
Health,
Nutrition,
WASH &
Education



Natural Resource
Management &
Climate Smart
Agriculture



Improved
Seeds &
Inputs



Drip Kits
& Water
Harvesting



Small &
Medium
Businesses



Higher
Value
Crops



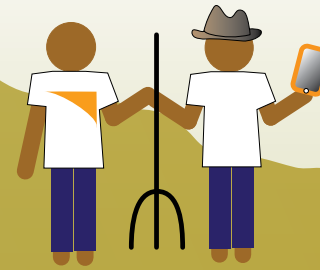
Logistics



Local &
International
Markets



**how:
a self-
replicating
model**



Great the African food company

is a for-profit company established by World Vision Tanzania, combining the discipline and efficiency of a commercial business with a Christian social mission. Profits are reinvested to create a self-funding and self-replicating model that impacts an ever-greater number of smallholder farmers. Working alongside WVT, GAFCo empowers producer groups by training farmers in sustainable agricultural practices, introducing high-value crops and helping increase yields. GAFCo supplies the seeds, inputs and irrigation equipment funded by VFT, and packages, stores and transports crops for sale in the best markets.

VisionFund tanzania

engages with savings and producer groups, providing capital to support families to transition from subsistence farming to income generating activities. Loans are made available for farmers to buy improved seeds and input supplies, and for those living in the driest regions to purchase drip irrigation equipment. VFT supports entrepreneurs to start small businesses, and finances their growth as the successful ones provide employment and add value to local agricultural production.

alpha

Project Timeline: 2012-2016

Three Projects – 6 ADPs in Makindube, Same & Nzega/Igunga

Description: The Market Led Agriculture Project and extension (MLAP & EMLAP), the Tanzanian Household Resilience Project (THRP) and the Local Value Chain Development Project (LVCD) were the first in a series of World Vision initiatives aimed at improving child well-being through economic empowerment and changing mindsets. Despite decades of conventional intervention by NGOs, the rural population in Same and Nzega still relied on rain-fed subsistence agriculture. Even when farmers could grow enough to feed their families, they had no incomes to invest in their children's health or education and no savings to endure an emergency. THRP and LVCD helped families accumulate savings by running their farms as businesses and by pursuing diverse income generating activities. Creative tools were used to empower them with information, such as a radio program coordinated by World Vision and a mobile phone platform for sharing information on weather and market prices. Farmers learned to manage their natural resources by preserving forests and managing soil quality. To foster resilience they learned to harvest and store rainwater in household water pans, while setting aside social welfare funds through savings groups to be tapped in case of emergency. THRP and LVCD incorporated World Vision's Empowered Worldview training to bring about mindset change, teaching families to capitalize on their own ability to change their circumstances.

- Target:**
- 13,200 households
 - 25,500 smallholder farmers
 - 59,200 children



Key results:

- 373 Savings Groups of 7,700 savers raised \$1.4 million
- Women averaged \$5000 each producing sunflower oil
- 31% increase in farmers earning new incomes.
- Households with sufficient food increased 30% to 63%
- 800 orphans and vulnerable children locally sponsored

Funding: \$3.5 million (96% spent)



Project Timeline: 2013-2018

Pamoja Project – 3 ADPs in Babati

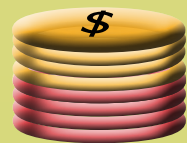
Description: Pamoja is the flagship of World Vision's Securing Africa's Future initiative. Based on the theory that only after families develop economic security can parents provide well for their children, Pamoja starts by promoting individual transformation through World Vision's Empowered Worldview program. Next, individuals are organized into community organizations such as savings groups and producer groups, which provide forums for collaboration and achieving scale. Upon this foundation Pamoja introduces a variety of innovative agricultural approaches including waterpans and drip irrigation; forest and farmland conservation techniques; crop diversification and ancillary products like honey; and a variety of approaches to better connect farmers to markets. Finally, Pamoja incorporates a unique partnership with VisionFund and the Great African Food Company, both subsidiaries of World Vision, to provide financial and business support.

- Target:**
- 9,000 households
 - 18,000 smallholder farmers
 - 40,500 children (23% to date)



Key Results:

- 120 producer groups, 29 producer associations and 221 savings groups formed from 5,091 smallholder farmers
- 198 water pans dug by smallholder farmers for dry-season irrigation
- 17 farmer field school established
- 640 unemployed men and women became beekeepers



Funding: \$7.8 million (56% spent)

beta

roll out

Project Timeline: 2016-

Pamoja Corridor Project – 6 additional ADPs

Description: The Pamoja Corridor Project seeks to robustly scale Pamoja Project's economic empowerment approach to achieve four critical outcomes for smallholder farmers:

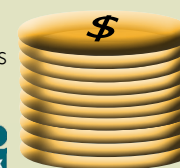
- Worldview issues that need to be transformed so that farmers see they can take action on their own to improve their well-being
- End-to-end business systems including value chain development and access to microfinance
- On-farm and off-farm natural resource management systems which support farming
- Shock and emergency management systems which support farmers and their communities

The rollout will be led by the current Pamoja Project team, who will leverage their learnings from the successful Beta project. In addition to expanding the programs already underway in Babati, the rollout will involve establishing World Vision Academy to promote the theory and practice of economic empowerment for smallholder farmers. This training program will help train the trainers: a critical mass of young and vibrant agronomy graduates as well as VisionFarmers, who are community leaders who have achieved a high level of competence in farming and are good at motivating others. As with the Alpha and Beta projects, the Pamoja Corridor is a unique integrative partnership amongst World Vision Tanzania, GAFCo and VisionFund to amplify success opportunities for farmers in the Corridor. GAFCo will empower smallholder farmers' capacity to improve yields, add value and reduce post-harvest losses and better access local, regional and international markets; VisionFund will address the "unbankable" status of the smallholder farmers by developing tailor-made products and services.

- Target**
- 24,000 households
 - 48,000 smallholder farmers
 - 108,000 children



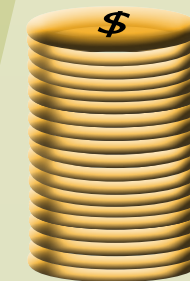
Funding: \$9.3 million (0% spent)



Project Timeline: 2017- 2020

Remaining WVT ADPs

- 108,800 households
- 208,500 smallholder farmers
- 467,300 children



Funding: \$19.8 million (0% spent)

goal by 2020:

to directly improve the well-being of 697,500 children by increasing the incomes of at least 300,000 smallholder farmers in 155,000 households to at least twice the extreme poverty line of \$1.25 per day.

new model

World Vision tanzania



Empowered Worldview

It is important that people be able to define their own problems, recognise opportunities and respond with the God-given creativity inherent in all of us. In this regard, World Vision engages farmers in a series of empowered worldview workshops that explore Judeo-Christian truths regarding identity: creation, purpose, love of God and neighbor, freedom from fatalism, creativity, personal responsibility, stewardship of the natural environment and improved household income through farming. It is a process that ignites a sustainable movement of spiritual and social change that unleashes the creative freedom of smallholder farmers. It inspires and guides them in moving from a subsistence farming and dependency mindset towards becoming stewards of relationships and natural resources. It enables in parents the ability to provide well for their children – especially better nutrition, health care, education, shelter and protection.



Savings Groups & Producer Groups

As they are organized into savings groups and producer groups, and eventually graduate to producer associations, smallholder farmers gain financial and business skills. They learn about improved farm practices and obtain access to required skills (improved farming techniques, food processing and value addition) and technologies to increase production of selected high value crops for increased market opportunities. Together they possess greater buying power for seeds and inputs as well as selling power to financially attractive markets.



Community Voice & Local Government Action

With our Empowered Worldview training as a foundation, we use advocacy models including Citizen Voice and Action in conjunction with Child Protection and Advocacy to give families and children themselves a voice to government leaders. Our Celebrating Families program equips families with training to create safe and loving environments for the wellbeing and nurture of their children. Our Channels of Hope initiative engages and trains faith leaders to catalyze cultural and



behavioural changes that benefit children. From birth registration at local health clinics to lobbying for classroom additions to amending bylaws to include smallholder farmers as legal producers of fortified maize, Citizen Voice and Action empowers individuals to secure their rights as citizens.

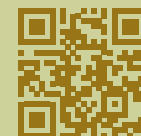
Health, Nutrition, WASH & Education

Along with accruing capital for business growth, savings groups set aside funds for the social and health care needs of members and their communities. We support and advocate for the health needs of children at the grassroots, regional and national levels. Communities are taught to take responsibility for their own healthcare, especially for children, mothers and pregnant women. Community Health Workers promote healthful practices and identify and respond to early signs of illness. Our Child Health Now campaign works with nutrition groups to advocate for policies that set new standards for maternal and child healthcare. Education in clean water, basic sanitation and hygiene combine to reduce the incidence of disease and preventable deaths, especially in children. Partnerships with local district councils and communities are formed to design, construct, manage and renovate water infrastructure to make clean water sustainably accessible to all households. Finally, we strive to improve quality of education and equitable access for girls and boys by facilitating community involvement, promoting literacy, increasing access to early childhood education and teaching life skills to adolescents. We emphasize economic empowerment so families can afford school uniforms and supplies, and children can eat nutritious meals and arrive at school ready to learn.



Natural Resource Management & Climate Smart Agriculture

Poor communities resort to clear-cutting forests for fuel, which renders their surrounding land desolate and useless for farming. The lack of trees then contributes to reduced rainfall, increasing the prevalence of drought and famine. The Farmer Managed Natural Regeneration program incorporates education, economic empowerment and political advocacy. Community members learn to view their forests, soil and water resources as assets that are key to their survival and their children's futures. Cooperative groups are formed and made accountable for forest restoration and maintenance through careful pruning of existing trees and sustainable grazing. World Vision has joined an African Union partnership to reach millions of rural families with climate-smart agriculture approaches that will allow them to produce nutritious and environmentally sustainable crops. Enhancing production through minimum tillage, conservation agriculture, evergreen agriculture and agroforestry systems are key elements of the portfolio of Climate Smart Agricultural solutions.



VisionFund tanzania

Improving Lives

Eighty percent of Tanzanians engage in agriculture. The majority of those have little or no access to financial services. With no credit, poor people are denied the opportunity to improve their lives. Our services help break the cycle of poverty. Affordable finance enables farmers to purchase the things they need to improve yields and grow their crops, including seeds, agricultural inputs and irrigation equipment. We help people living in poor areas develop their businesses so their children can eat better food, have access to healthcare and go to school. Today, we are the country's fastest growing microfinance institution. We have a high quality portfolio, low cost operational structure and a growing net income. We reinvest all our income back into helping the communities we serve.

Why we are different

Microfinance has a long history worldwide in transforming lives by providing financial services to the unbanked poor. However, the vast majority of success cases have been in urban areas where vibrant micro-economies already exist and densely concentrated borrowers can be inexpensively served. There have been few examples in any country of microfinance institutions successfully funding the agricultural expenses of the rural poor. This is our focus, and we do it well.

VisionFund Tanzania Impact:

As of February 2016:

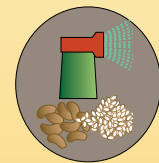
- 187,330 children impacted
- \$6,837,000 outstanding portfolio
- 38,308 active borrowers (60% women; 40% men)
- \$283 average loan size
- 56,767 jobs impacted



Future Innovation

VisionFund Tanzania is developing a variety of innovations that will enable us to achieve our objectives. These include:

- Working with World Vision to reduce client acquisition costs and extend our presence into unreached areas.
- Creating a tablet based, customized loan application process that automatically generates customer business plans and cash flow requirements with an approval turn-around time of less than 36 hours. Creating a tablet-based can application that can result in a turn-around time of less than 36 hours.
- Participating in an agricultural development program that has been shown to increase productivity by 33%.
- Using biometric tagging and GPS marking on all internal and external actions to reduce the potential for fraud.



Improved Seeds & Inputs

Lack of funds for purchasing quality seeds, fertilizers and pest control products can be a significant barrier that prevents subsistence farmers from increasing their production. Farmers who have learned to manage their personal finances through membership in savings groups or producer groups can apply to VisionFund for a loan to purchase seeds and other input supplies. VisionFund will provide funding exactly when needed in accordance with the agricultural calendar developed by GAFCo, often paying suppliers directly, and will be repaid by GAFCo out of proceeds from crop sales. This close coordination with World Vision and GAFCo helps VisionFund reduce its risk, enabling it to profitably serve rural farmers in a way that other microfinance institutions cannot.



Drip Kits & Water Harvesting

Most subsistence farmers in Tanzania rely on uncertain rainfall to grow maize, subjecting their families to the ever-present risk of famine. The same farming families on the same land can achieve both food security and extra income by growing high-value fruits and vegetables, if only they have access to adequate irrigation. VisionFund

supports the innovative irrigation initiatives that have become a defining part of the Pamoja project, including water pans that capture water when it rains for use during the dry season, the same drip irrigation technology that transformed the Israeli desert into lush farmland, and even the center pivot technology that irrigates the central valley of California. World Vision provides training in irrigation technology and mobilizes the community to provide the required labor; GAFCo provides and installs the irrigation equipment; and VisionFund provides the money required.



Small & Medium Businesses

World Vision seeks opportunities to improve farmer incomes by fostering small businesses. Example: Magugu rice was once the best in Tanzania but when brokers began mixing it with poor quality rice to lower costs, its reputation and price collapsed leading hundreds of rice farmers into poverty. World Vision formed the Magugu Rice Association to restore the brand. The Association buys rice from smallholder farmers and invites customers from major cities to buy at an open market. VisionFund supported the Association with a \$5,000 loan to purchase a grading machine helping ensure quality and the Association is now seeking \$15,000 to purchase a rice milling machine. As a result of World Vision's efforts, the price of Magugu rice has increased from \$0.59 to \$0.92 per kilogram, resulting in a doubling of smallholder farmer incomes.



Mobile Banking Technology

No microfinance institution in the world has a model for profitably lending amounts under \$100 to smallholder farmers. We plan to be the first, thanks to the innovative mobile banking technology VisionFund Tanzania has developed. Our loan officers use mobile tablets to make online loan applications, which are automatically processed so credit decisions are available in a timely manner. Our clients use mobile phones to make payments, eliminating the common need to organize transportation to branch offices that commonly require 1 - 2 days of travel. This technology lets us serve more farmers with fewer loan officers and branches so we can serve clients who were previously unservable.





great the African food company

Smallholder Farming As A Business

Eighty percent of rural Tanzanians support themselves through agriculture. The vast majority are smallholder farmers, who grow only enough food for their own families to eat. Many have no regular source of income. Their children eat adequately when the rains come on time, but they have little or no money for medicine, clothing or school fees. They lack resilience. When the rains don't come, or when they face a medical emergency, families can be devastated. Since Tanzania has no shortage of farmland, why don't smallholder farmers grow crops for sale to earn extra income? In many of the places where the poorest families live, farmers are economically isolated from suppliers and customers. There is nobody from whom to buy seeds or other agricultural inputs, and no way to get their crops to market.

The GAFCo Innovation

A key component of the Smallholder Farmer Strategy is the Great African Food Company (GAFCo). GAFCo is designed to help smallholder farmers who have no effective access to markets. It was started by World Vision in collaboration with Larry Jacobs, who has built a similar model in Latin America called Del Cabo (www.delcabo.com). GAFCo helps smallholder farmers grow high-value crops by providing seeds, irrigation technology and training. GAFCo then helps them sell their crops wherever demand is the greatest. World Vision connects farmers with existing suppliers and customers where possible, but for farmers who live in underserved areas, GAFCo may be the only way for them to get a fair price for their crops. GAFCo is tightly integrated operationally with World Vision's ADP model. World Vision mobilizes farmers into producer groups, trains them to have the confidence and responsibility to drive their own futures through the Empowered Worldview, and then invites GAFCo to provide the technical and marketing assistance to help farmers earn significant incomes from their farms.



Higher Value Crops

Most smallholder farmers grow only low-value cereal crops such as maize, which over time strip nutrients from the soil. GAFCo helps farmers plan a rotation of multiple crops, including higher value fruits and vegetables, legumes to fix nitrogen in the soil, as well as a wider variety of cereal crops. GAFCo trains farmers in sustainable conservation agricultural practices, which minimize the use of expensive fertilizers and potentially dangerous pesticides. In some cases, farmers are taught to grow organic crops, which can fetch a price premium. GAFCo imports high quality hybrid seeds, which when combined with microloans from VisionFund can enable farmers to substantially increase their yields without straining their own finances.



Logistics

Maximizing incomes for smallholder farmers means getting their crops to markets quickly, without losses from spoilage or damage. This is a particular challenge for perishable fruits and vegetables, especially considering Tanzania's undeveloped road network and the remote locations where World Vision does most of its work. GAFCo is planning the development of a "cold chain", including refrigerated trucks, regional cold warehouses and a central cold packing and processing facility. GAFCo's aspiration is to deliver crops internationally from remote smallholder farms to supermarket shelves within a few days of harvest, never being exposed to a temperature above 40°F (4°C). For crops that do not require refrigeration, GAFCo is planning the construction of bulk storage facilities so farmers can benefit from their crops being sold when the market prices are highest.



Local & International Markets

GAFCo helps smallholder farmers grow the products that earn them the highest possible prices. Often, this means special varieties or certifications such as Good Agriculture Practices

(GAP) or Certified Organic, for which markets only exist in major cities. GAFCo has developed East African markets for its high value products in Dar Es Salam and Arusha in Tanzania, Nairobi and Mombasa in Kenya, and Kampala in Uganda, and is busy developing markets in multiple European and Middle Eastern countries.

CIRCLES Center Pivot Project

World Vision Tanzania and GAFCo are collaborating with private and university partners on an innovative project in Babati to introduce cutting-edge irrigation technology to smallholder farmer communities.

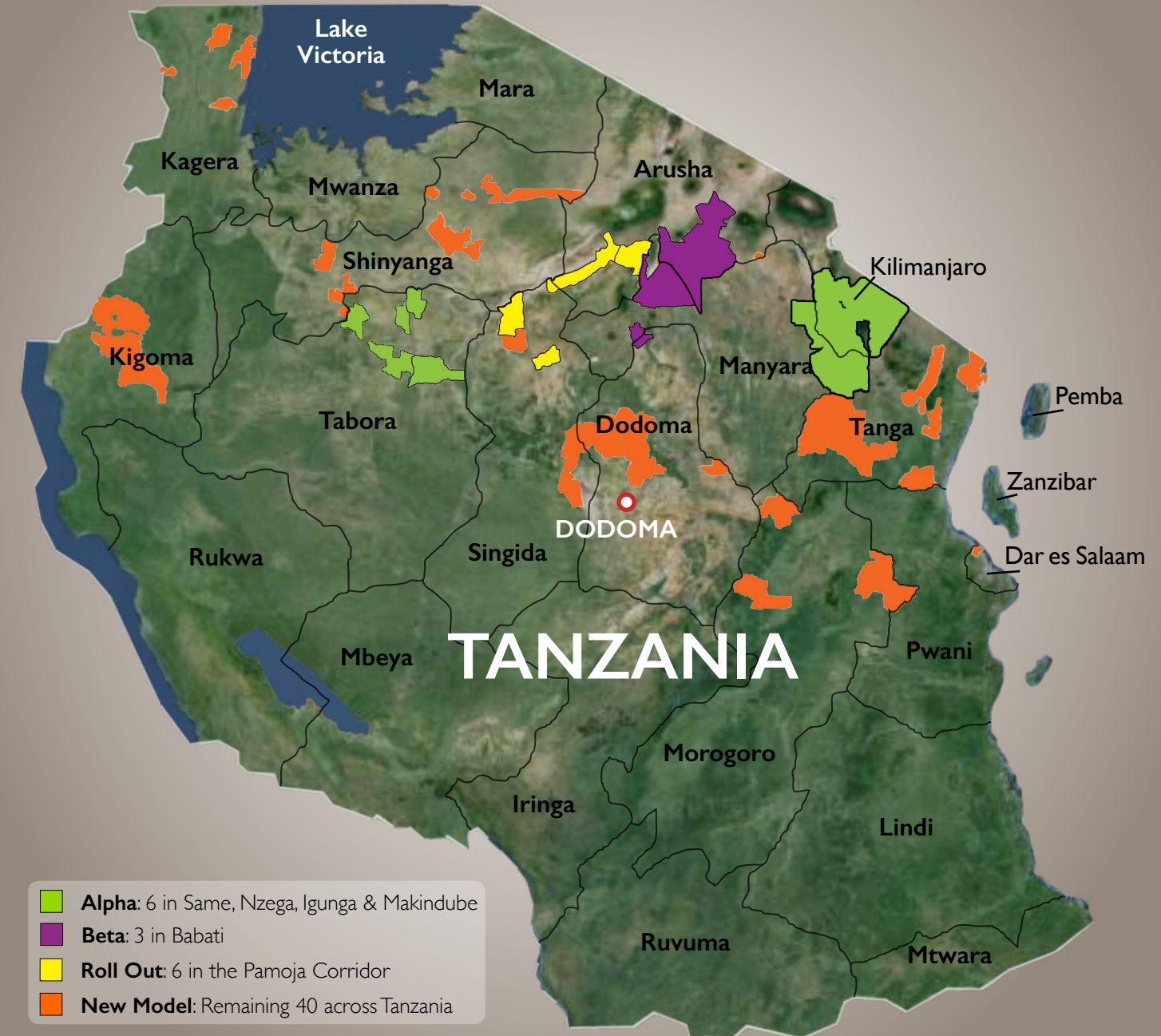
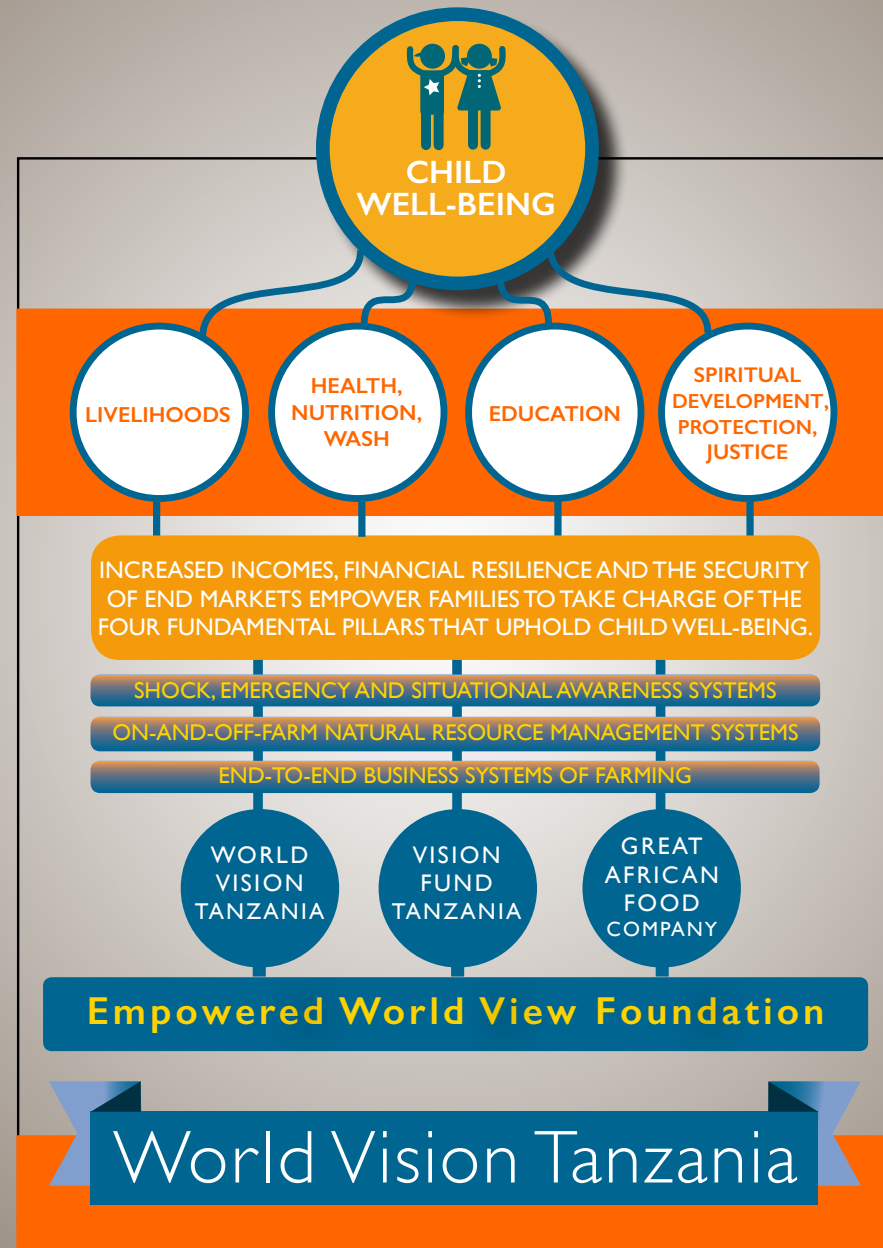


Example photo courtesy of Valmont Industries.

The CIRCLES project combines deep bore holes with three center pivots to irrigate a total of 450 acres of land, providing improved livelihoods to over 200 smallholder farmer households. CIRCLES transforms an arid environment into a lush farmland capable of growing four crops per year. GAFCo is training the Babati CIRCLES farmers to grow high-value horticulture, and will be responsible for marketing their crops. Early estimates are that CIRCLES will increase the incomes of smallholder farmers by six to thirteen times.



THE NEW MODEL
55 Area Development Programs





reach
out
to us

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