



OPPORTUNITY
International

UPDATE

AUTUMN
2014

FOCUS ON — AGRICULTURE





PLANTING SEEDS OF OPPORTUNITY

This year the UN has stressed that agriculture is the 'engine of growth needed to eradicate hunger and boost food production in Africa'. We at Opportunity were thrilled to hear this. Much of our work enables farming communities to improve their crop yield and engage in the worldwide marketplace. To have Africa's potential highlighted on the international stage is a great encouragement for our clients as they work towards providing for themselves and their continent.

This Update focuses on how we are equipping farmers to feed their families and move from subsistence to commercial farming so they can provide a secure future for their children and communities. Teddy's story, on page 5, illustrates the struggle many farmers face and how access to an Opportunity loan, training and support group can have an incredible impact. This access provides more than just food for Teddy's family but ambitions for their future. I hope you enjoy reading her story.

Nick Railston-Brown, one of our agricultural advisors, has over 25 years of experience as an agricultural manager supporting and working with farmers in Africa. Catch up with Nick on page 6, to read more about how we are improving the lives of farmers.

Your support makes all this possible. Thank you.



Edward Fox

EDWARD FOX, CEO

FEEDING FARMERS' AMBITIONS

Providing security for your family members, ensuring that they are well-fed, with a roof over their head and the opportunities to prosper and reach their full potential, is a struggle we can all identify with.

More than 70% of people in Africa live in rural areas and rely on the land to provide for their family. The challenge, for many, is not only to provide a daily meal but to take it one step further

– to move from subsistence to commercial farming. Once able to sell produce commercially, a farmer can think beyond the day-to-day (hand-to-mouth) and start thinking about the future. With a thriving commercial farm a farmer can improve their family's diet, living conditions, education and start providing employment opportunities to the wider community. Improving agricultural livelihoods is essential in lifting people out of poverty.

So how does a farmer make this step?

Here at Opportunity International we've developed a tailored programme that specifically meets the need of farming families. We provide the training and finances needed to transform a subsistence farm into a thriving agriculture business. Working with local partners we innovatively support farmers who have the ambition to grow their farm but need the tools and opportunity to do so.



Opportunity International is supporting farmers with the provision of:



Loans

In the form of quality seeds, fertiliser and money to hire temporary workers. This helps increase a farmer's yield and productivity.



Group Support

Groups of farmers are brought together to negotiate agreements with commercial farming bodies to provide them with a guaranteed price and route to market.



Financial Training

Clients are taught how to budget and save effectively, which is crucial when payment and cash flow is so seasonal.



Savings

A specific savings account, tailored to farmers, enables them to manage their seasonal income – encouraging them to save during harvest and commit to planned withdrawals during the lean season.



Expertise

Agricultural experts help farmers understand the potential their land has and the market value of their crops. Farmers are taught about sustainable farming practices including using seeds and fertilisers in the most effective way.

The result? Healthy, well-nourished families with children who can attend school and family farms that are profitable and providing employment for the community. On average we are seeing our clients' yields double, and sometimes even triple.



Photo: Oliver Krato

TEDDY NAMAGEMBE A COFFEE FARMER

Teddy Namagembe knows all there is to know about coffee growing. As a child she helped her parents on their coffee farm and today she has her own farm in Kibisi, Uganda.

Teddy, 52, is widowed with four children. The work on her farm is hard and the days are long. Managing the farm and getting a fair price for her coffee beans used to be a struggle. Red coffee beans are the best quality yet regularly, when short of money, Teddy would have to sell the beans when they were green, before they were ripe, even though she knew she would get less money for them.

Opportunity International changed this. A loan and training enabled Teddy to improve the productivity of her farm, and to then negotiate a better price for her beans – three times the amount she used to receive. With an increased yield and fairer prices Teddy can wait for her beans to ripen and sell them later for more profit. Teddy can now pay her children's schools fees, employ seasonal help on her farm and even put a little money aside in her savings account.

Q & A

Why improving agricultural livelihoods is essential in the fight against poverty



Nick Railston-Brown has 25 years' experience as an agricultural business manager and advisor. Nick is based in Ghana, where he has lived for over 20 years, and has recently joined our agricultural team. Here he explains more about how Opportunity International's financial tools and training are helping farmers to utilise their land and work their own way out of poverty.

Q How does the basic Opportunity International financial model work for agriculture?

A An initial loan of around £150 (often in the form of seeds and fertiliser) will enable smallholder farmers to maximise the quantity and quality of their yields. Opportunity International works closely with high quality sellers to supply the farmers with these seeds and fertiliser. We also facilitate contractual arrangements with agribusinesses and traders to buy farmers' crops at competitive prices.

Q How does Opportunity International ensure farmers get a fair price?

A We bring groups of farmers together where they receive training from agricultural experts and support from Loan Officers. This links them to information about the 'market price' and how to negotiate with

buyers. Once again, working in a group gives the farmers more bargaining power.

Q How do farms begin to access commercial markets?

A Commercial markets want to buy in bulk. Bringing farmers together in groups enables them to collectively sell onto a commercial buyer. Together they can also invest in improved storage facilities and shared transportation to reduce cost. This helps them compete in commercial markets.

Q How does Opportunity International reach farmers in remote areas?

A For many farmers it takes hours to reach their nearest town and branch, often along very rough roads which can get blocked when the rains come. Specially converted 4x4s (with banking facilities) go out to farming communities enabling farmers to



access their account and deposit money. Loan Officers and agricultural specialists also use motorbikes to attend regular farming group meetings. As we look to the future, we hope that mobile phone banking will play a key role in our agricultural programme.

Q What are the challenges in reaching women farmers?

A Women's activities within agriculture are restricted. Most land-rights and ownership in Africa are still assigned to men and unequal access to resources for agricultural production limits women's farming potential. As with all our programmes, Opportunity International is working with communities to increase women's access to resources and help them to reach their own potential.

Q How are the needs of each farm's crop and size assessed?

A Agricultural experts and Loan Officers use GPS mapping (on mobile phones and tablets) to map out the area of a farm. This informs the Loan Officer and farmer of the amount of fertiliser needed for that area. They will also train the farmer about best farming practices – crop diversification, what crops can complement each other, how to prepare the soil etc.

NEWS IN BRIEF

MALAWI ELECTIONS

In May 2014, following a contested election, Malawi appointed a new president. Peter Mutharika, 74, is the brother of former late-president Bingu wa Mutharika. This has been a challenging time but Malawians are hopeful for increased political and economic stability.

TYPHOON HAIYAN

We estimate that 67,000 of those affected by Typhoon Haiyan in the Philippines were clients of Opportunity partners. Of these, many still need proper shelter. Globally, our partners are working together to support recovery by providing housing loans to rebuild shelters, emergency loan assistance, and ensuring sustainability of our local microfinance partners.

CHRISTMAS APPEALS IMPACT MORE THAN 700,000 PEOPLE IN AFRICA

Over the last three years supporters, like you, have generously given to our Christmas appeals where donations from the public have been matched by the UK government. These appeals have, to date, provided more than 700,000 people in Africa with financial services and training.



Photo: Abby Ross

GIVE THE NEXT GENERATION AN OPPORTUNITY

Gifts left in Wills are vital to the future of our work. Please remember Opportunity International in your Will. With 98% of loans being repaid and recycled, it is a gift that keeps on giving. It will last for generations.

Mukamuhizi Alphosina is married with two children. She grows and sells beans, corn and wheat and thanks to a loan from Opportunity International her crop and income have increased. This has enabled Mukamuhizi to build a house for her family and pay for her children to go to school. Mukamuhizi's family can now hope for a better future.

For more information:

**Call Jenny on 01865 725304 or
visit opportunity.org.uk/gift_in_will**



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Discover more **opportunity.org.uk**

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