

VOLUNTEER REPORT FORMAT

To be submitted to CRS at the end of volunteer assignment and shared with the Host

1.1 Assignment information

- a) Volunteer Name: Victor Nyekel
- b) State of Origin: Ethiopia
- c) Host Organization: Metemamen Microfinance Institution (MMFI)
- d) Assignment: ET104
- e) Dates of Assignment: July 18, 2017 to July 28, 2017
- f) Number of days worked 11

1.2.1 Objective 1 in your SOW: Introduction of different financial products specifically to women.

- a) Progress with the objective: the volunteer met with women who are currently using the microfinance institution for their financial needs. It was clear that, they were satisfied with the current products available, but emphasized that as their business was growing, the loan size had to be adjusted to meet their financial needs. This issue of an increase in the loan size, mainly for women or group of women who have been through several cycles of borrowing with a good record for repayment, is crucial for them to stay with the MMFI since other microfinance institutions are offering a much better loan size, which has been attracting some of the women who left MMFI.

The volunteer also brought to the women attention the importance of reinvesting some of their profit into the business in order to build their equity capital, and also the importance of saving at the MMFI to build their reputation with their branches on one hand and to stop the cycle of a borrower status by embracing the one of a saver on the other hand. They clearly stated that the discussion was very helpful in understanding the importance of savings and that the MMFI should do a better job in encouraging them to save since other microfinance institutions are already doing an aggressive job for this purpose.

- b) Expected impacts/results: it is anticipated that women will view the MMFI not just as an institution where they can borrow money, but also a financial institution that can be used for their savings, and other financial transactions such as payments for their business activities. Women were very encouraged to build their equity capital via saving or reinvestment of part of their profit, and they did feel a sense of urgency to use these mechanisms as a mean to reinforce the sentiment of ownership.

- c) Recommendations¹ the volunteer recommends that the MMFI does the following:

Consider the possibilities of increasing the loan size to meet the financial needs of its clients;
Educate its clients on the importance of savings as a true strategy to improve the livelihood of the rural poor in the long run. For this purpose, the MMFI should review its policy on interest rate payments on the savings. Maybe providing interest payment on a monthly basis instead of semi-annual basis will encourage more people to save;

¹ **Note:** Only make not more than 6 recommendations. The most useful recommendations for hosts are ones that they can implement themselves with minimal expense. For example, a cooperative might change its financial reporting procedures or hold more regular meetings of its board. Broad recommendations on tax or credit reform, changes in government policy, or investment in large-scale equipment, are usually not within the host organization's reach.

Increase awareness of the existence of the microfinance institution through training and capacity building, in order to encourage more women and young people to participate. The meetings with the women using the MMFI services revealed that the lack of flexibility of the current products policies is a hindrance for women participation and more so for young people;

Develop an educate women on a strategy that enable them to reinvest some of their profit into their business as a mean to build equity capital. The ultimate goal for the strategy will be for the women to get out of the dependency of loan as a major mean for investing in the long run, but rather as a tool to sustain a business built primarily on equity capital.

1.2.2 Objective 2 in your SOW: Methods of approaching women beneficiaries with financial products

a) Progress with the objective: the women beneficiaries for current financial products were given an opportunity to express themselves about the challenges that they were facing, the success that they have experienced, the reasons for some women or young people do not participate to these initiatives, some suggestions on what can be done to improve the current situation. The same courtesy was given to branch managers and an area manger to share their experiences in terms of success and challenges, as well as some suggestions on what needs to be addressed to help them fulfill their mission.

b) Expected impacts/results: since the MMFI aims at targeting women and young people, a strategy to get them interested in using its services is really necessary. We found out that women do not participate in large because they see a loan as a burden. In other words, most of them are not willing to take a risk associated with being unable to repay the loan. Moreover, a lot of women and young people are more individually driven rather than trying to work collectively as a group. So, financial products that target individual investors are more attractive than those which require forming a group as potential investors. Moreover, the branch managers as well as an area manager noted that, individual loans are more risky as compared to group loans. These two opposite dynamics make it difficult for MMFI and the rural poor to find a common ground.

Finding a solution to address both of these issues will not only increase women and young people participation, but also will help MMFI to achieve its goal for making financial services more accessible to people living in rural areas.

c) Recommendations the volunteer recommend that MMFI does the following:

Develop a strategy that allow women who have been in good standing in a group after a given number of cycles to qualify for individual loans if they choose to do so;

Encourage a mentorship program by successful groups of women for new group of women or young people to increase participation;

Increase awareness and training for new potential clients by using successful women to tell their stories in their community and calm the fear for seeing a loan as a burden, but rather as an opportunity to better their lives;

Provide incentives to individual of groups of women who are willing to mentor new clients on the one hand, and also develop a strategy to track outstanding clients and increase their retention on the other hand.

1.2.3 Objective 3 in your SOW: the volunteer specialist will be given an opportunity to initially assess the knowledge and skill gaps of the MFI and comprehensively develop training topics for fruitful intervention. For this purpose, a rapid assessment of each department was made during the meetings with people in charge of those departments.

a) Progress with the objective: the discussions with various MMFI's departments provided good insights on the current situation in terms of strengths, weaknesses, opportunities and threats for the institution. It is clear that the MMFI has grown in recent years and cannot do business as usual if it has to be more effective. Indeed, the institution is operating in a very fast and competitive sector and has to make continuous adjustments in order to be relevant and fulfill its mission. The competitive nature of the industry has a direct impact on staff retention and this can hinder the effectiveness of the institution if appropriate measures are not taken to foresee such threats and act accordingly. Moreover, the logistics in various departments in terms of number of staff, software, collection and management of data, means of communication, careers plans, and professional development have to reflect not only the environment in which the institution is operating but also the challenges that are a direct result of its growth.

b) Expected impacts/results: It is expected that by addressing these issues, the MMFI will be more effective. Appropriate collections of data will not only help with transparency, but also improve the development of a good risk management strategy.

Providing incentive in terms of training and career development will help retain outstanding staff, which is very important to the success of the institution.

c) Recommendations The volunteer recommends the following:

The purchase of appropriate and effective software for the MIS, HR and Finance departments;

The identification of the training needed by various staff as a mean of career development;

The purchase of external hard drive or USB to back up data at all branches on a regular basis under the supervision of the MIS department;

A review of the institution's chart to reflect the linkages between the staff at a branch level and the various departments operating at the head quarter (main office).

1.3 Recommended future volunteer assignment: what can be done between the institutions and its donors to deal with loan defaults by the rural poor due to unforeseen events such as droughts, flood, and catastrophic hazards such as unrest. For the time being, crop insurance products are not well developed in the country; however, agricultural loans without crop insurance will always be at risk and the rural poor will keep paying a heavy price. Something has to be done in order to fill that gap and

protect the rural poor for unseen events out of their control if we really want to alleviate poverty in these communities.

1.4 Action Plan

Recommendation	Specific Action	Responsible person	By when
1.increase the loan size	Compare to competitors	BOD	The end of fiscal year
2.back up data	External drive or usb	management	The end of fiscal year
3.buy appropriate software	LPF 8-16 for MIS	management	The end of fiscal year
4. review interest on savings	Monthly computation	management	The end of fiscal year
5. promote participation	Seminars, training, mentorship	Management and branches.	The end of the year
6.promote career development	Appropriate training or education for staff	BOD	The end of the year

1.5 Number of people Assisted

- a) Through formal training (Classroom setup)
- b) Through direct hands on practical assistance (Do not double count)
- c) Out of these above, number of host staffs 20
- d) Training/assistance by field

Category	Total	Males	Females
Members/ owners			
Employees	20	13	7
Clients/ Suppliers	18	2	16
Family Members			
Total	38	15	23

1.6 Gender

- a) What gender roles did you recognize in your host community? Did these roles play a part in your assignment? How? Men and women are well represented at the MMFI not only at the head quarter, but also at the branches. The gender was never an issue during my assignment.
- b) How might CRS or the host organization improve opportunities for the women in this host or host community? Women are well represented in management position as well at the staff level. Educational opportunities as well as appropriate training will help further sustain this trend.

1.6 Value of volunteer contribution in \$ 3,200

- a. Hours volunteer spent preparing for assignment 20 hours.

- b. Estimated value of all material contributions volunteer contributed to host during assignment not applicable.

1.7 Value of hosts' contribution in \$ (Please consult the host as well)

- a) Meals 0
- b) Transportation Birr 1.500
- c) Lodging 0
- d) Translation Birr2.000
- e) Other (Specify) 0

1.8 Host Profile Data:

Did you obtain any data that supplements or corrects the data in the existing host information as detailed in the SOW? Please list it. No

1.9 Recommendations for CRS: the host needs assistance in dealing with default risk of agricultural loans due to natural causes.

There is also a need to helping with educational opportunities as well as training for the staff in order to increase the retention rate of outstanding staff.

1.10 Press Release

FOR IMMEDIATE RELEASE

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Philadelphia Financial-Economist Works with Counterparts in Ethiopia

Farmer-to-Farmer program promotes economic growth and agricultural development in East Africa

Philadelphia, PA, July 16, 2017, Victor Nyekel from State College PA, who is an expert in agricultural finance travelled to **Ethiopia** for two weeks to share **his** technical skills and expertise with local farmers. Financial product for women beneficiaries is part of Catholic Relief Services' Farmer-to-Farmer program that promotes economic growth, enhanced nutrition through access to healthy food, and agricultural development in East Africa.

“While some are trying to settle comfortably in urban areas, we are trying to reach women and youth in rural areas in order to alleviate poverty,” Victor Nyekel.

Farmer-to-Farmer matches the technical expertise of U.S. farmers and professionals in agribusinesses, farming cooperatives, and universities with farmers in developing countries to assist them in improving agricultural productivity, accessing new markets, and increasing their incomes. Farmer-to-Farmer is funded by the U.S Agency for International Development (USAID).

In a world where 80% of food is produced by farmers working on small farms or fisheries, the movement to share proven farming and business skills can improve the quality and quantity of the world's food supply. For communities in the developing world who often struggle to produce enough food, this can improve access to a reliable source of food and better nutrition. For the farmers, it can strengthen their path to prosperity.

The goal of Victor Nyekel assignment was to strengthen the knowledge and skills of a microfinance institution in benefiting women beneficiaries in a better way. He worked with 20 staff and 18 clients who are involved in providing or receiving agricultural loans to finance income generating activities in rural areas in Ethiopia. Most of Victor Nyekel time was spent in rural areas meeting with women and youth involved in the agricultural loan program on the one hand, but also in the head quarter and branches of the microfinance institution on the other hand.

It is anticipated that the microfinance institution will better respond to the demand of appropriate financial products by women and youth, and also improve its management practices to survive in a very competitive environment.



This is Victor Nyekel first volunteer assignment with Farmer-to-Farmer and is one of nearly 500 assignments that focus on improving approaches to local agriculture practices, expanding of quality food crops and nutrition in Ethiopia, Tanzania, Kenya and Uganda. The program, funded by the U.S. government has been running for nearly 30 years.

CRS is partnering with five U.S. institutions to tap into the rich diversity of the U.S. agriculture community: the National Catholic Rural Life Conference, Foods Resource Bank, National Association of Agricultural Educators, American Agri-Women, and the University of Illinois' College of Agricultural, Consumer and Environmental Sciences.

The volunteers travel to East Africa for anywhere from one to six weeks.

“We are certain that this program will be beneficial not just to the farmers in East Africa but also to the volunteers from America,” said Bruce White, CRS’ director for the program. “It’s going to make the world a little bit smaller and a whole lot better for everyone involved.”

For more information, visit farmertofarmer.crs.org

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***Catholic Relief Services** is the official international humanitarian agency of the Catholic community in the United States. The agency alleviates suffering and provides assistance to people in need in more than 100 countries, without regard to race, religion or nationality. CRS’ relief and development work is accomplished through programs of emergency response, HIV, health, agriculture, education, microfinance and peacebuilding. For more information, visit www.crs.org or www.crsespanol.org and follow Catholic Relief Services on social media: [Facebook](#), Twitter at [@CatholicRelief](#), [@CRSnews](#) and [@CRSnoticias](#), [Instagram](#), [Pinterest](#) and [YouTube](#).*