TABLE OF CONTENTS

This report covers the activities of the Hand in Hand network. We operate out of three regional hubs based in India, Kenya and Afghanistan, with support and fundraising offices in Sweden, the UK and the US.

We’re always working to improve our reports. Questions? Suggestions? Please contact naveling@hihinternational.org.
EXECUTIVE SUMMARY

Hand in Hand mobilized 128,069 members between April and September. With the skills and knowledge they learned, our members launched 105,441 enterprises. In turn, those enterprises created 212,777 jobs.

In each category, solid progress. And another portent for Hand in Hand’s continued success.

SAVINGS GROUPS WITHOUT BUSINESS TRAINING: 10 MILLION OPPORTUNITIES

Pick a metric – any metric - and chances are Hand in Hand Eastern Africa’s partnership with CARE Rwanda exceeded expectations. We’ve known for some time, for example, that introducing our business training to pre-existing CARE savings groups yielded more than 115,000 jobs in three years – versus a target of 80,000.

Now, with the publication in September of the program’s independent end-term review, we’re pleased to share newer, more thorough data for the very first time.

Group members who received our training earned average business incomes of US $49 per month – 75 percent more than their counterparts in the review’s Comparison Groups, who didn’t receive our training. The difference was most starkly reflected in assets.

Seventy-nine percent of our members reported investing in assets such as livestock and equipment at the end of the program. Only 49 percent of Comparison Group members said the same.

More than 10 million poor people belong to savings groups that lack business training, and every single one of them represents an opportunity. We want to share our findings as far and wide as possible, particularly with the NGOs that support these groups. We’re starting by hosting a seminar at the London School of Economics, with thanks to our sponsor S&P Global, on December 5, 2016.

For more information and to RSVP, please visit 10millionjobs.org/beyond-savings-lse.
OUR RESULTS

The Hand in Hand network made significant gains from April to September: 577 businesses, 1,165 jobs and 701 members a day.

Cumulative businesses

- Mar 2016: 174,277
- Sep 2016: 184,158
- Growth: 6%

Cumulative jobs

- Mar 2016: 251,532
- Sep 2016: 274,309
- Growth: 9%

Cumulative members

- Mar 2016: 172,177
- Sep 2016: 184,956
- Growth: 7%

ACHIEVEMENT TOWARDS STRATEGIC PLAN

- Cumulative jobs
  - Mar 2016 Achieved: 251,532
  - Mar 2016 Overall Target: 2,755,000
  - 09% Below Target

Hand in Hand’s most recent Strategic Plan ran until March 31, 2016. At the time it concluded, we’d achieved 91 percent of our cumulative jobs target. The shortfall is attributable to a slower-than-expected start in Tanzania.

Our next Strategic Plan, for the period from April 2016 to March 2021, is being finalized soon.

CONTACT HAND IN HAND INTERNATIONAL PROGRAM MANAGER AGNES SVENSSON FOR DETAILS
Businesses and jobs are Hand in Hand’s key outputs. Each job represents a life of health and hope. Each business represents an entire family lifted out of poverty.

Thanks to large programs funded by the EU and the UK government, relative growth over the past six months was strongest in Afghanistan.
OPERATIONS ACROSS THE NETWORK: INDIA
From Silicon Valley to the hills of Tamil Nadu, technology is king. That’s why Hand in Hand India and the Vodafone Foundation joined forces to help 50,000 women entrepreneurs establish a digital business-to-business marketplace expected to boost participants’ monthly business incomes by as much as 50 percent.

By signing on to the three-year project, which kicked off in April, Hand in Hand India members working in agriculture, tailoring and more will be alerted to relevant stock and value chain shortages via SMS. Eventually, the system will evolve into include an e-commerce app and, finally, an e-commerce portal on which to transact business.

### Hand in Hand business growth versus the national average

*This figure captures the average half-yearly number of private companies with limited liability registered between 2004 and 2012 in India. Source: World Bank, doingbusiness.org.

### MEET JAGADEESWARI

Five years ago, Jagadeeswari was distributing her spices the old-fashioned way: by foot, to her neighbours’ doorsteps, as free samples. Today, her distribution network spans 200 shops across her home state of Tamil Nadu and as far away as Malaysia.

“Joining a Self-Help Group changed my life totally,” says the 46-year-old mother of two.

Initially, Jagadeeswari bought her ingredients from local suppliers. As her business grew, she started travelling to Chennai, the capital of Tamil Nadu, to buy direct from wholesalers. Recognizing her potential, Jagadeeswari’s Hand in Hand trainer began to provide special training. Today, she earns INR 35,000 (US $525) per month in pure profit, employs five staff including her husband and pays for her children’s university fees.

She recently won a state prize, sponsored by one of Tamil Nadu’s most famous entrepreneurs, for First-Generation SME of the Year. Ever the businesswoman, Jagadeeswari says she’s happy for the publicity – as long as it attracts new clients.
In the past six months, almost 108,000 impoverished rural women joined a Hand in Hand Self-Help Group. That’s 4,150 a week.

At the same time, loans grew 14 percent – US $16 million more than during the same period last year.

OTHER PROGRAMS

Uniquely within our network, Hand in Hand India operates four complementary programs to help boost our job creation model. The programs help members access better healthcare, improved education, a cleaner environment and empowering citizens’ rights training.

<table>
<thead>
<tr>
<th></th>
<th>Cumulative to Mar 2016</th>
<th>Increase 6 months to Sep 2016</th>
<th>Cumulative to Sep 2016</th>
<th>% increase</th>
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</thead>
<tbody>
<tr>
<td>EDUCATION</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Number of children enrolled in school</td>
<td>258,246</td>
<td>16,194</td>
<td>274,440</td>
<td>6%</td>
</tr>
<tr>
<td>ENVIRONMENT</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Solid waste management: households reached</td>
<td>443,685</td>
<td>4,500</td>
<td>448,185</td>
<td>1%</td>
</tr>
<tr>
<td>HEALTH</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>Anemic women reached</td>
<td>32,742</td>
<td>5,803</td>
<td>38,545</td>
<td>18%</td>
</tr>
<tr>
<td>Toilets constructed</td>
<td>11,032</td>
<td>214</td>
<td>11,246</td>
<td>2%</td>
</tr>
<tr>
<td>CITIZENS’ CENTERS</td>
<td></td>
<td></td>
<td></td>
<td></td>
</tr>
<tr>
<td>E-literacy trainees</td>
<td>816,957</td>
<td>29,375</td>
<td>846,332</td>
<td>4%</td>
</tr>
</tbody>
</table>
OUR REACH IN INDIA

Hand in Hand India works in eight states and one union territory with a combined population of 570 million. That’s bigger than the entire European Union.
OPERATIONS ACROSS THE NETWORK: AFGHANISTAN
Hand in Hand Afghanistan’s work with women was praised in a recent EU evaluation of our program in Samangan Province. “Women are more confident, mobile and participate in decision-making at the household level,” it said.

**MEET HABIBA**

Until recently, Habiba wove carpets on wages for local shops. In Afghanistan’s far north, near the Uzbek border, weaving is tradition – an industry built of necessity in a region with poor soil and even worse water management. Trade with Central Asia has historically buoyed business, but recent unrest in the region means times have been hard – so hard, in fact, that Habiba’s children faced having to find work.

Then she joined Hand in Hand.

Armed with newfound skills and savvy, Habiba devised a plan to compete with imported, chemically treated, machine-made carpets. First, she researched which designs were most popular in local marketplaces. Next, she made sure to advertise her carpets’ traditional craftsmanship and natural materials. Finally, she sought out traders to export her carpets to neighboring Uzbekistan.

The result: an increase in monthly income to 16,600 AFN (US $300) from 2,500 AFN (US $45). “I’m saving more money to purchase another two carpet weaving frames,” says Habiba. “I want to create jobs for other women in my village.”
The period between April and September 2016 was one of geographic concentration for Hand in Hand Afghanistan. As our program in Samangan province began to wind down, efforts were concentrated in Balkh and Sar-e-pol provinces.

Hand in Hand International is seeking funds to extend our presence in Samangan. For details, please email Program Manager Agnes Svensson at asvensson@hihinternational.org.

Cumulative toolkits

In lieu of interest-yielding loans, always a challenge in Sharia-compliant Afghanistan, Hand in Hand has focused since 2014 on providing enterprise start-up toolkits worth an average US $100 each. These toolkits have the greatest advantage for women: cash may not remain under their control, but toolkits do.
OPERATIONS ACROSS THE NETWORK: EASTERN AFRICA

### Cumulative Businesses

#### April 2016 to September 2016

- **Cumulative businesses**
  - March 2016: 248,023
  - September 2016: 274,598
  - **11% Growth**

### Cumulative Jobs

#### April 2016 to September 2016

- **Cumulative jobs**
  - March 2016: 272,138
  - September 2016: 369,200
  - **20% Growth**

### Cumulative Members

#### April 2016 to September 2016

- **Cumulative members**
  - March 2016: 274,005
  - September 2016: 294,105
  - **07% Growth**

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**Hand in Hand business growth versus the regional average**

*This figure captures the average half-yearly number of private companies with limited liability registered between 2004 and 2008 in Kenya and Rwanda.


### Meet Odette

Odette Mukarusagara still can’t believe it. “Local government officials come to visit me as a senior and respected member of the community, my neighbours trust me. I’m even on one of the senior committees of the National Women’s Council,” says the 43-year-old, incredulous.

It’s a far cry from two years ago, when Odette and her family survived off a small patch of land in Kiziguro, a rural village in Rwanda’s Eastern Province. Most days, she says, they only ate once.

Things started to change after Odette joined a savings group run by Hand in Hand partner CARE Rwanda and received our training. Equipped with capital from her group, along with her newfound savvy, the budding micro-entrepreneur set up her own clothing business and devised a plan to sell school uniforms to coincide with an upcoming term. They quickly sold for 100,000 RWF (US $140) – more than enough to cover her loan and invest in future growth.

Today, Odette owns four sewing machines, runs a sewing school and earns 50,000RWF (US $70) a month. “Now that we have a regular income I’ll be able to afford the fees for [my children’s] secondary school and university,” she says.
Hand in Hand Eastern Africa’s Enterprise Incubation Fund continued to garner 99 percent repayment rates between April and September 2016. Women received 83 percent of loans.

Our loan portfolio continues to mature, as increasing numbers of members borrow a third and final loan. We are exploring ways to graduate these members up the credit ladder.

Hand in Hand Eastern Africa continued to expand, establishing a presence in Tanzania and Kitui County, Kenya, for the very first time.
In the six months from April to September, our offices in the UK, Sweden and the US raised US $7.4 million – 16 percent more than during the same period last year.

**HIGHLIGHTS**

**United Kingdom**

Two major donations – one to establish our operation in Tanzania, the other from the IKEA Foundation for our work in Kenya – made a hugely significant impact. So too did grants from Allen & Overy, the Argidius Foundation, the Swiss Re Foundation, and Tellus Viva.

Matthew Cadbury of the Cadbury business family is our latest Patron.

“From trade barriers to the credit gap, too many obstacles face business owners in the developing world,” he says. “That’s why I am proud to be a Patron of Hand in Hand International, an organization working to help impoverished people overcome the odds and create profitable, sustainable businesses – many of them run by families. My own family history in business stretches back some 200 years. Who knows where today’s fledgling enterprises will be two centuries from now?”

**Sweden**

Aid organization Läkarmissionen made a substantial contribution, funding a program to help 5,300 people in rural Kenya, most of them women, launch their own sustainable businesses. The project also includes elements of literacy training and awareness raising, particularly around women’s, educational and civil rights.

Musikhjälpen, a division of the Radiohjälpen Foundation, funded a program to boost climate change resilience in rural Kenya. The program will teach practices such as crop diversification and agroforestry to almost 700 farmers – 80 percent of them women, 20 percent of them youth.

The Radiohjälpen Foundation also funded a program to create 10 child and youth friendly panchayats in Madhya Pradesh, India. The project aims to ensure that poor and marginalized children in 10 target villages attend school regularly, and that those schools improve their sanitation and drinking water infrastructure.
LESSONS LEARNED

HERE’S WHAT WE’VE LEARNED OVER THE LAST SIX MONTHS, AND WHAT WE’RE DOING TO IMPROVE

KENYA: CLIMBING THE CREDIT LADDER

Hand in Hand Eastern Africa is a “centre of excellence in training and transforming of Self-Help Groups”.

That’s according to an independent review funded by the Swedish International Development Cooperation Agency (Sida)/the Swedish Embassy in Nairobi.

The review comes off the back of a two-year, SEK 20 million (US$ 2.3 million) program in Kenya, which concluded in March and aimed to create 14,000 jobs, provide members with access to microfinance and promote green jobs and environmental resilience.

“The effect of the project in reducing the number of people living below Ksh 3,000 (US $30) has been phenomenal,” said the review. What’s more, Hand in Hand contributed “significantly to reducing gender inequality in... all the targeted geographical areas.”

But few members who’d received microcredit showed an appetite for climbing the finance ladder to seek larger loans from open-market lenders.

The report suggested two possible solutions. First, working more closely with governments and microfinance agencies to ease members’ climb to formal credit. And second, to facilitate two distinct types of loans: one for start-ups, another for businesses able to demonstrate market-driven growth.

In response, Hand in Hand Eastern Africa is developing a plan for identifying members with the skills and potential to grow their businesses into small- and medium-sized enterprises (SMEs), and providing those members with alternative solutions to credit.

AFGHANISTAN: EARLY ASSOCIATIONS

Hand in Hand Afghanistan’s program in Samangan province was evaluated recently by the European Union. The review praised our impact on women in particular. Still, there was room for improvement.

Members undergoing training in tailoring and carpentry required “at least two to three months” of extra modules, said the report, a move that would “require freeing up of additional resources”. Furthermore, women in particular needed more help instituting precise record-keeping practices at the Self-Help Group level due to comparatively low literacy rates.

Maybe most important, however, was a recommendation to encourage members to form co-operatives to gain market share and negotiate better deals much earlier in the program, the better to ensure their sustainability at project-end. As a consequence, associations are now being formed at the outset of Hand in Hand’s projects countrywide.

CONTACT PROGRAM MANAGER AGNES SVENSSON FOR DETAILS