



22 December 2022

Dear Stakeholders

I am pleased to confirm that Opportunity International UK reaffirms its support to the Ten Principles of the United Nations Global Compact on human rights, labour, environment and anti-corruption. This is our Communication on Engagement with the United Nations Global Compact.

In this Communication of Engagement, we describe the actions that our organization has taken to support the UN Global Compact and its Principles as suggested for an organization like ours. We also commit to sharing this information with our stakeholders using our primary channels of communication.

During COVID-19 restrictions, we worked to continue our support of the goals and principles at the global level through virtual stakeholder engagement processes including participation in COP26 in Glasgow in December 2022, webinars and following COVID-19 participation at the European Microfinance platforms and public and private events.

In addition, we partnered with new private and public partners in addressing the SDGs through various projects that help people move out of poverty through access to financial services and training, particularly around girls' education, agricultural livelihoods and supporting marginalised groups such as people with disabilities, rural youth and refugees (SDG 1,2,4,5).

We are committed to making the UN Global Compact and its principles part of the strategy, culture and day-to-day operations of our company, and to engaging in collaborative projects which advance the broader development goals of the United Nations, particularly the Sustainable Development Goals. Opportunity International UK will make a clear statement of this commitment to our stakeholders and the general public.

We support public accountability and transparency, and therefore commit to report on progress within one year of joining the UN Global Compact, and annually thereafter according to the UN Global Compact COP policy.

Sincerely yours,

A handwritten signature in black ink, appearing to read 'James F.', is positioned below the text 'Sincerely yours,'.

Actions and outcomes over the last two years by Opportunity International in support of the UN Global compact have included:

### Work in support of the Sustainable Development Goals

**In Malawi** we launched a new project supported by Jersey Overseas Aid. Over three years, we will work with four regulated Financial Service Providers in Malawi to identify capacity gaps, develop innovative, pro-poor products and services, manage risk, and stimulate institutional change leading to inclusive financial service provision. At the same time, working in four rural districts with 1,200 community based financial organisations, OI will support 24,000 entrepreneurs and smallholder farmers to strengthen their readiness and ability to access formal financial services through the provision of financial literacy, business and life-skills training. Digital technologies will accelerate access to financial services via mobile and agency banking, digital profiling and training, and credit scoring.

**In Uganda** we received a grant from the National Lottery Community Fund (NLCF) to facilitate financial inclusion for people living with disabilities (PWD) in Uganda. Over a 3-year period the project we improved the livelihoods and resilience of 3,700 persons with disabilities, their caregivers and family members. It is hoped that 3,700 people will access secure savings, and around 1,850 loans (average loan size £120) will be disbursed for business activities

In Uganda In 2019 OIUK launched its Refugee Innovation, Self-Reliance and Empowerment (RISE) initiative to support financial inclusion and livelihoods development for refugees in Uganda. Uganda hosts over 1.5 million refugees, the largest of any African country. The largest numbers of refugees remain those from South Sudan and Democratic Republic of Congo (DRC). The Isingiro district, where Nakivale Refugee Settlement sits, hosts over 150,000 refugees

July 2021 marked the start of an adapted project following the withdrawal of UKAID funding earlier in the year. This meant that the new focus was solely on OIUK working with Opportunity Bank Uganda Ltd. ([OBUL](#)) in Nakivale Refugee Settlement. Funding to the other original project partners, FINCA Uganda and PHB Development, ceased at this point, although both remained under the project umbrella looking for other potential areas of collaboration, and FINCA continues to rollout financial products, services and financial literacy training in Kiryandongo Refugee Settlement. Despite the adaptation, the RISE project continues to promote financial inclusion among refugee and host communities and support refugees developing resilient livelihoods:

Between January 2020 and April 2022 OIUK is partnered with OBUL, Teach a Man To Fish (TAMTF), MicroSave to improve the economic situation of 6,000 rural youth (average age 24) via the provision of financial services, training in good agricultural practices, improved entrepreneurship and financial management. The project worked with Youth Farmer Field Schools formed by Hanns R. Neumann Stiftung through their TEAM UP programme. Business and financial literacy modules were adapted to meet the needs of rural youth and youth facilitators recruited and trained to mentor the groups and deliver the curriculum.

**In Ghana and DRC** - OIUK was awarded UKAID Match grant which concluded in September 2021 to increase the empowerment of 12,000 rural women in Ghana and the DRC by improving their productivity, building assets and increasing household income. Activities were delivered by three financial institutions - Sinapi Aba Savings and Loans (SASL) and Opportunity International Savings and Loans (OISL) in Ghana, and VisionFund DRC.

Report to be submitted end of February 2022. Key Outcomes from the Evaluation include:

- 74,985 jobs were sustained and/or created (mainly seasonal workers) by the project's 12,259 loan clients. In Ghana, the women employed an average of 7 workers and an average of 3 workers in DRC.
- 52% (47% in Ghana and 57% in DRC) reported increased yields in the last season; Average annual yield change was 40.2% (against a target of 30%). Three key factors cited as positively influencing farmers' yields: improved farming practices, increased production, and access to and/or use of farming equipment and inputs (e.g. tractor services, fertilisers etc.); attributed to access to loans and training from OI partners.

- Women farmers highly vulnerable to climate change with 78% of clients surveyed in Ghana (80% SASL: 76% OISL) reporting having been affected by drought and 30% by late planting (due to the wait for the rains to plant).
- 72% report increased income. Beyond the financial dimension, this has increased their wellbeing and self-esteem, directly or through being able to borrow less, save more and to meet household needs.
- 98% of respondents who have attended the gender training reported an increased knowledge about gender issues and 87% of the training participants indicated an overall increase in their participation in decision-making in their household ( against a 24% baseline).
- 87% of farmers who received weather updates via Esoko sms/video in Ghana found it highly useful and 87% of the clients reported an increased confidence in using digital financial services.

**In Rwanda** Opportunity International and Glasgow Caledonian University collaborated to fund a research project into the relationship between climate change and microfinance on the vulnerability and adaptive capacity of smallholder farmers in Rwanda. Field work was conducted by GCU and University of Rwanda in the districts of Huye and Rubavu. Both districts are affected by climate change in the form of increasing drought and erratic rainfall. Researchers interviewed farmers, financial institutions and government officials and reviewed national policies and regulation on agriculture, financial inclusion, climate adaptation, cooperative membership, social protection, risk, and insurance. The research was presented at The World Justice Climate Summit in September 2021 and at COP26, and Financial Inclusion Week in November 2021.