

SERVICES

Opportunity International Australia Ltd

Charity

Your support of [small loans](#) has a much bigger impact than just on the family you're giving a hand up to – the ripple effect of a loan can help transform whole communities.

UNITING TOGETHER

Small loans are often distributed in groups, with meetings organised weekly or fortnightly. But these meetings are about a lot more than just financial transactions – they're about helping people living in poverty know a sense of community. In loan meetings, mothers and fathers offer support to each other, encouraging one other and standing together in good times and bad. Together they share business learnings and ideas, talk about their families and plan for the future. With the vulnerability and isolation poverty brings, this solidarity can often mean just as much as the loan itself.

EMPLOYING OTHERS

As small businesses grow, some go on to employ others in order to keep up with demand. As these jobs are created, other local families are given an opportunity to leave poverty behind too – delivering goods door-to-door or helping with sewing or weaving orders.



Jag Roshani's small loan of Rs.7000 (A\$123) helped her start a business making school bags. With each bag selling for Rs.150 (A\$2.65), the business has been so successful that she now employs four other people from her community in Delhi, India.

BOOSTING LOCAL ECONOMIES

With an increased income and therefore more money to spend on items such as food and transport, families who used to live in poverty become active participants in their local economies, benefiting the providers of those products and services, who, positively, are often microentrepreneurs themselves. By boosting local economies, [microfinance benefits developing communities](#) beyond the aid of a one-time hand-out.

CREATING CHANGE

With the new sense of dignity and respect that comes from having their own business, microentrepreneurs are also able to use their influence to bring about positive changes in their communities – rallying local government for improvements to infrastructure or education and bringing local families together to take on community projects.



Having used a loan of Php.15,000 (A\$374) to start a successful piggery, Shirly has become a community leader in her hometown of Aurora in the Philippines. To help her neighbours, Shirly is providing scholarships to poor children in her community as well as giving piglets to families in need, helping them start their own small businesses, too. By giving mothers like Shirly a hand up out of poverty through small loans, you can help transform whole communities.

Often provided in loan meetings, training helps families grow successful businesses and make the most of their small loans. Additional education sessions – focused on other aspects of everyday life – help empower mothers, fathers and even whole communities.

Financial training teaches people the ins and outs of earning, spending, budgeting and borrowing. Helping families understand the range of financial services available to them, it encourages them to manage their hard-earned incomes wisely. In the Philippines, multimedia resources have been developed to engage and educate loan recipients. Short videos in a game-show format teach families about the importance of saving, managing credit and financial planning.

Business training can cover general topics like marketing or specific skills in crafts such as soap making or embroidery – training that can help families diversify their income streams. In Indonesia, communities were taught how to recognise business opportunities in unused items, with one module demonstrating how to make handicrafts from unwanted banana stems.

Life training helps empower families in areas such as self-esteem, communication, [health](#) and leadership. Your support helps families gain the skills they need to transform their lives.

Opportunity International Australia works through local partners to ensure that we're understanding and meeting the needs of the families we're reaching.

Local to the communities they're serving, loan officers and staff at these partner organisations speak local languages, understand community challenges and concerns and, in doing so, enable you to have a greater impact.

Committed to helping families transform their lives, we only partner with capable local organisations that share our mission.

MISSION ALIGNMENT

Local partners must share Opportunity's values and objectives, and be unlikely to 'sell out' the poor in order to satisfy the financial requirements of fund providers. We look for partners:

- With a primary objective of helping people out of poverty
- That work in the poorest, largely unserved regions
- Operating within a market that exhibits a relevant 'gap', with conditions that are favourable for microfinance
- With sound strategies that show their continued intent to help people out of poverty.
- That demonstrate commitment to meeting people's needs and having an impact.

CAPABILITY

Because we're committed to being good stewards of your donations, we partner with organisations that can operate sustainably. We look for partners with:

- Excellent, inspiring leadership
- Strong risk management and governance
- A solid operating platform and capable staff
- Good financial performance and an ability to manage significant growth
- Comprehensive business plans and projections underpinning a sound future
- A history of financial self-sufficiency or, for start-ups, a forecast to be so within two years.

THE PARTNERSHIP PROCESS

1. **Initial partner assessment**

If we assess likely mission alignment, we will fund a formal business planning exercise, a step that forms a key input for the next phase of the partnership process – due diligence. In some cases, information obtained in this phase has led to a decision not to proceed with a relationship.

2. **Detailed partner assessment**

A due diligence exercise is conducted around mission alignment, performance and leadership credentials, together with an assessment of environmental risks. Our Investment Committee then reviews new partnership recommendations and proposals for ongoing support of existing partners, either passing a proposal on to our Board or making a decision not to proceed.

3. **Partnership agreements**

If Board approval is obtained, normal transaction execution processes are undertaken in the form of alliance, debt and equity agreements (as applicable).

4. **Ongoing relationship management**

This includes attendance at Board meetings, meetings between partners and their

relationship managers, and monthly reporting by partners of financial and operational performance.

WE'RE IN IT FOR THE LONG HAUL

We seek to build long-term partnerships to ensure families are being served effectively. In the [Philippines](#), partnerships have existed since the 1980s while in [Indonesia](#), partnerships have been active since the 1990s.

We also seek to be a good steward of resources. Primarily, this involves working hard to achieve and maintain sustainability, meaning that our program partners operate without losing their capital. Opportunity works hard to keep interest rates as low as possible.

Technology is key to [reaching isolated communities](#) – many of which live in extreme poverty. Because remote areas are expensive to operate in, traditional banks avoid them – leaving already vulnerable communities without any opportunity to break the poverty cycle.

This is where your support comes in – thanks to your giving, Opportunity International Australia is able to reach these communities with mobile and electronic technologies, reducing transaction costs and giving a hand up to some of the most marginalised and remote communities in the world.

When it's affordable and accessible, technology allows clients to make transactions near their homes, reducing transportation costs, improving their productivity and increasing their access to their much-needed funds. Your support helps provide more people with access to the basic financial services they need to transform their futures.