



five talents

LETTER OF INTRODUCTION: BUSBRIDGE CHURCH & HAMBLEDON CHURCH

At Five Talents we believe that the route out of poverty is developing resilience; by supporting people to build the means to meet their basic needs: clothing, accommodation, nutritious food, education and healthcare. To us, this does not mean handouts. It means providing people with opportunities to save, learn and start businesses.

Established in 1998 in the US and 2006 in the UK, Five Talents is the Anglican Church's microfinance charity, founded as a Christian response to global poverty. Since we were established, we have supported over 262,000 families across 21 countries. Today, we have programmes in seven countries in eastern Africa: Burundi, the Democratic Republic of Congo (DRC), Kenya, Rwanda, South Sudan, Tanzania and Uganda.

Working in partnership with the Anglican Church in each of these countries, our projects provide training to rural, and often marginalised households and around 80% of our members are women. They also teach business skills and financial literacy. As communities learn to save, they form Savings Groups - a safe place to deposit savings and eventually take out small loans. Bound by trust, members pool their resources together and make loans to one another from their own accumulated savings.

WHY WE EXIST

42% of people in sub-Saharan Africa live on less than \$1.90 a day. Saving is not easy. The challenges of low levels of income are further exacerbated by civil and political unrest, extreme weather variance and poor social and welfare infrastructure, leading to a lack of access to basic services such as healthcare and education. UNESCO reports that one third of those aged 15 and above in sub-Saharan Africa are unable to read and write. Illiteracy is both a cause and effect of economic disadvantage; preventing people from realising their financial potential to earn and save.

It is well documented that financial inclusion equips communities to meet their basic needs with many governments acknowledging the barriers financial exclusion creates. However, banks are reluctant to loan to small businesses - transaction costs are too high and often, potential entrepreneurs are limited by a lack of business and financial skills, and, as noted above, even basic literacy. That's why the programmes our partners deliver play such an important role.

Entrepreneurial members, like Lucia (below) are being equipped with skills, knowledge and support to be able to grow their businesses to provide sustainable livelihoods in order to support their families. By equipping communities with training to make the most of the resources they have, Savings Groups and members' determination provide the step-up they need to invest in an even brighter future.



MEET LUCIA - DRC

Lucia is a single-mother of five children; her oldest is 17 and youngest is 5 years old. Last year, she joined a Literacy Group, supported by Five Talents.

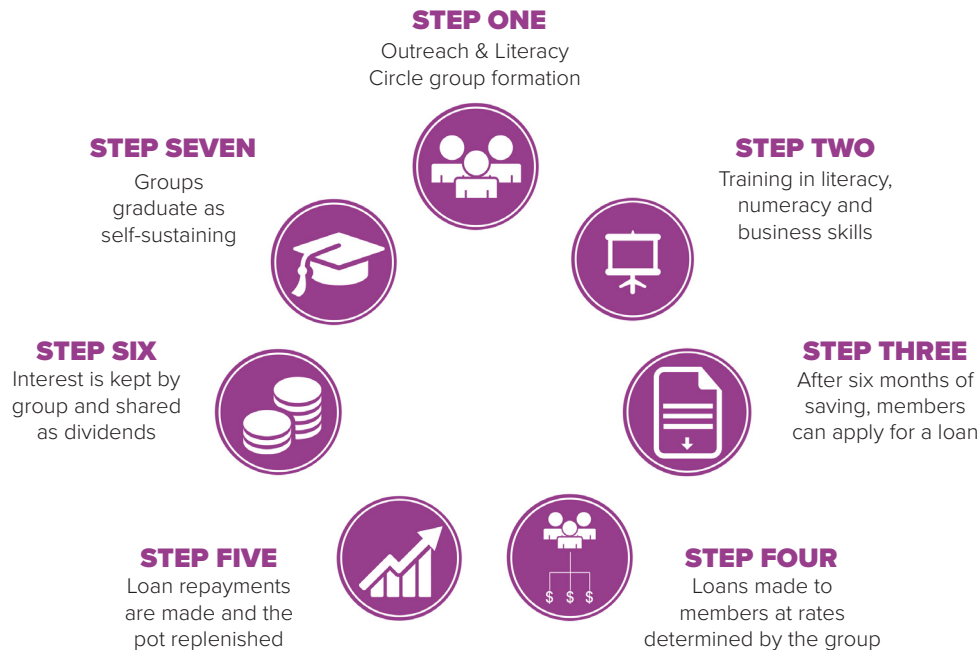
"My parents did not believe in educating girls, so I stopped school in the second year of primary school. Girls were kept at home to bring back the dowry to their parents and wait for marriage. I never learnt to read or write and I couldn't develop my gifts that God gave. But I wanted to become literate, so I joined the programme.

After three months of joining the Literacy Group, COVID happened. Even though the programme stopped for a short while, in three months, I had already learnt the alphabet, basic arithmetic and was reading a little. Before I had joined the programme, I received my confirmation certificate from church. I found it recently and discovered that I had taken my friend's certificate because at that time, I couldn't read my own name!

Before, I had difficulty in educating my children. I was struggling to pay school fees, which meant that my two older children had left school. If the children are hospitalised, I faced the same difficulties of paying fees. Now, because of the Literacy programme, I am managing my business better and I know how to plan for my family and business. I also lead the hymns at church and I can teach Sunday School because I can read! I can stand in front of a crowd and have no fear, I am a Group Leader and I can be social."

OUR MODEL

The savings-led model our partners use is more effective and sustainable than traditional microfinance programmes. Savings Groups self-capitalise and grow their funds by saving together. Our evidence shows that saving together can unite communities divided by different ethnicities and faiths and further brings reconciliation and peace to those that have been affected by war and conflict. All of the programmes are tailored to each community, so all Savings Groups are unique and progress at different speeds, but their development is rooted in the same base model:



In 2017, Five Talents commissioned an independent evaluation of our programmes. Data shows our emphasis on saving, rather than borrowing, to be a key driver of impact. As people save, their confidence grows, their wealth increases and their standard of living improves. The report revealed:

- 81% of members reported an increase in household expenditure;
- 97% of members were able to afford three meals a day, 85% were able to pay their school fees, and 78% could afford access to healthcare;
- 71% of Trust Group members are now better able to cope with emergencies like famine or illness;
- 84% of women reported a positive change in their domestic relationships and status.

SUPPORTING OUR WORK

Five Talents and our partners are proud to work with tens of thousands of women and men like Awien in South Sudan. While hardship and hunger are still widespread, and peace can be fragile, communities are beginning to experience the first fruits of their independence.

We have an ambitious plan to grow our network of supporters, and we are confident that we can achieve our goals. We would be delighted if you would consider supporting our work. With your support, our partners can continue equipping communities across eastern Africa to come together, and to save and invest in an even brighter future.

Please don't hesitate to get in touch if you would like to find out more about our work: Kris Coppock, kris.coppock@fivetalents.org.uk or 07587 371954.



Lena, Savings Group member