



ARGIDIUS FOUNDATION 2019 REPORT

HOPE IN CHALLENGING TIMES

MESSAGES

FROM THE CHAIRMAN
AND THE EXECUTIVE
DIRECTOR



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A MESSAGE FROM THE CHAIRMAN

We're in the middle of a global pandemic, and it's too early to say it's over, even though some countries in the world are easing out of lockdown. There's a long journey ahead of us, and I think the focus for Argidius in the short term is to be able to look very carefully at how we can support our partners, and how we can still connect with entrepreneurs and businesses in the right way.

My excitement and passion for Argidius' work is rooted in my interest in creating systemic change for people in the countries where we work and asking myself, how do we help the most vulnerable, and how do we help people get out of poverty? The challenges for people living in developing countries have been made even more urgent by the impact of the coronavirus pandemic. Millions of livelihoods have been destroyed and healthcare systems pushed to the limit. The World Bank has estimated that more than 60 million people could be pushed into extreme poverty as a result of the pandemic – the figures may well increase dramatically.

We must get through the Covid-19 crisis together, and assess what changes we'll need to make – for example, to continue employment creation in the different countries where we operate. We're looking at how to support organisations, allowing them the flexibility to survive and stay robust. We're also looking at opportunities, for example digital training,

mentoring and skills building at this time of crisis.

In this report, you will read inspiring examples of our entrepreneurs and partners who are already taking the lead in providing these types of services. Since the onset of the pandemic, Somo, which supports social entrepreneurs in low-income informal settlements in Kenya has shifted its model online, introducing trainees to digital platforms including Zoom and Google Classroom to create an atmosphere of constant learning. "This has not only helped individuals keep safe by maintaining social distance," says Amelia Hopkins Phillips, the executive director of Somo. "It is also allowing us to create an environment of constant learning."

The creativity and resilience of the entrepreneurs and partners we support fills me with hope amidst the great challenges. I would like to express my thanks to them for their dedication and vision.

Donald Brenninkmeijer
Chairman, Argidius

A MESSAGE FROM THE EXECUTIVE DIRECTOR

Manuel Roman, the founder of a small manufacturing company in Managua, has rarely taken the conventional route forwards, in life and business. Shot in the back whilst fighting in Nicaragua's Contra War, which affected his mobility, Manuel decided to form a business designing wheelchairs and mobility aids, employing young people who were wheelchair users or hearing impaired. Desperately in need of a bending machine at the start of his entrepreneurial journey but faced with a lack of capital for this vital but expensive equipment, he headed to a local scrapyard. "I had a light-bulb moment," he told us. "We used a truck's brake drum to make our own bending machine – for under US\$100!"

Amidst the global economic meltdown triggered by the coronavirus pandemic, faced with accounts of small and medium enterprises having to lay off staff or close, it's heartening to hear stories of resilience from the entrepreneurs and partners we support, like Manuel, currently working at full tilt during the pandemic supplying organisations including hospitals with wheelchairs.

Take Muthoni Mate, whose Kenyan social enterprise, the Cancer Café, ground to a shuddering halt when Covid-19 triggered a lockdown in Nairobi. Despite having to shield herself as a cancer survivor, Muthoni was soon out on the streets, aware that she had to act

urgently to help the scores of cancer patients who see her organisation as a life-line, to find food and medicine. You can read her remarkable story in the following pages.

The year 2021 may well be more difficult than 2020 as some of our partner's funding could be diverted to the immediate Covid response. Priorities will likely change around funding, possibly to health rather than immediate economic recovery or growth. Philanthropic funding too could be affected because the underlying investments on which this relies may be diminished by the overall economic crisis. On the positive side, we find ourselves with a portfolio in 2020 that appears to be relatively robust in terms of its resourcing, and its ability to adapt to supporting entrepreneurs.

As we navigate our way forwards in this time of crisis, I remain excited about the potential of supporting small and medium enterprises, and deeply touched by people like Manuel and Muthoni in the way they have challenged adversity and built thriving businesses while caring for others.

Nicholas Colloff
Executive Director, Argidius



CHAPTER 1

IMPACT AND LEARNING

Impact measurement, focused mainly on revenue growth and employment creation, aims to improve the effectiveness and reach of small and medium enterprise development services, and plays an important role in Argidius’ learning agenda. Key performance indicators and internal and external evaluations help us to monitor and manage our portfolio’s impact on business performance, while benchmarks enable us to compare the effectiveness of different types of interventions. This, together with our support and tracking of research in the space, has enabled us to identify five key characteristics that drive impact. These inform our decision making as we strive to make Argidius, our partners, and the sector overall more impactful.

While the reporting period covered in this chapter is until the end of 2019, it is impossible to ignore the unfolding Covid-19 pandemic. It is our assumption that the pandemic, and its economic aftershock, will have significant material consequences on SMEs and those that support them, at least until the end of 2021. The depth and extent of these consequences are, of course, unknown. What we do know is that:

• **Business development services can support the survival and resilience of SMEs in crisis contexts.** Last year, we reported that our partners in Nicaragua, for example, significantly reduced failure rates of their clients compared to the national average (and helped a subset of businesses continue to grow) during the country’s political and economic crisis.

- Key characteristics we have learned that drive impact – in particular the importance of “addressing problems” – are as relevant for helping SMEs now as ever. **Understanding and adapting programmes to meet the rapidly changing needs of small businesses as they seek to manage and recover from the crisis is vital.**
- An initial survey of 60 of our partners on their programmatic adaptations, and their best and worst case scenario organisational budget planning, suggests that we have a **strong portfolio of organisations.**



PORTFOLIO IMPACT

Over the course of six years implementing Argidius’ strategy to improve the effectiveness and reach of SME-development services:

62 active or completed programmes, implemented by **51 partner organisations**, have reported back to us, while directly supporting **11,697 enterprises.**

7,324 enterprises (those that have reported two to six years of performance data) have generated **€670 million** in incremental revenues (reflecting a median annualised **growth rate of 15%**), while creating **12,565 full-time jobs**, and mobilising **€715 million** worth of finance.

The average **ROTI** (return on total investment) is **7.6**, and the cost per full-time job created is **€7k.**

These headlines significantly under-report impact. We seek accuracy, only reporting results on businesses who have shared their performance data. The data completeness tails off significantly over time. We have only measured direct programmatic effects on selected indicators in the short to medium term. We do not include part-time employment change, nor do we include the indirect impacts generated in their supply chain or induced impacts associated with the spending of wages. We do not capture organisational impact over time, despite organisational development being a focus of our venture philanthropy approach which seeks to advance the sustainability and impact of partner organisations beyond any particular project or programme.





SCALING IMPACT

The focus to date of Argidius’ monitoring evaluation and learning has been on identifying what works and what does not work in enterprise development. Our impact framework enables us to assess the impact of projects and define five key characteristics that drive impact. We are using this knowledge to scale impact by:

- 1) Funding what works, and responsibly exiting what isn’t working so well.
- 2) Building the capacity of impactful organisations to increasingly deliver quality at scale.
- 3) Disseminating effective learning to implementers, investors, funders and policy makers.

Five key characteristics to

S C A L E

effective enterprise development

Select	Charging	Address	Learn	lead by Example
the right enterprise	enterprises improves performance	problems: we learn best through problem-solving	by evaluating enterprise performance	improve your own organisation to better serve enterprises

FUNDING WHAT WORKS

A number of projects have been identified as particularly effective and efficient at significantly generating impact- supporting business growth, compared to the cost of the intervention while creating employment. One such ‘high performer’

is TechnoServe’s Impulsa Tu Empresa programme (see box). Argidius recently agreed to continue the programme into its third iteration, and beyond its tenth year. This cycle will robustly assess the cost benefit of a digitised approach as it seeks to unlock further scale.

BUILDING CAPACITY OF IMPACTFUL ORGANISATIONS TO INCREASINGLY DELIVER QUALITY AT SCALE

We have also been supporting TechnoServe to build their Entrepreneurship Practice at the global level, with the goal of scaling their impact by a) improving quality by sharing best practices (such as those identified in ITE) across the 29 countries in which they work, and b) increasing and diversifying funding for their highly impactful entrepreneurship support services.

TechnoServe, along with Impact Hub, Alterna, and the African Management Institute, are one of Argidius’ strategic partnerships. The objective of these partnerships is to support organisations delivering impact at scale. **These partnerships have supported more than 14,000 additional businesses to those cited earlier.** The impact is yet to be captured. A common component of each of these strategic partnerships is work to enable them to build their impact monitoring evaluation and management systems to strengthen impact and learning across their organisations.

While more pronounced in strategic partnerships, our focus on advancing the financial sustainability and impact of partner organisations is a hallmark of our venture philanthropy approach. This includes intensive patterns of organisational support and investment in partners’ core capacity. The business development partners we support increasingly attract a diverse mix of funders,

develop revenue models, attract investors, and are themselves scaling up. This approach continues to bear fruit. When we commenced this strategy, the leverage ratio of our funding was just above 1. **Six years later, partners are leveraging 7.6 euros of support for each euro Argidius provides.**

DISSEMINATING KNOWLEDGE TO SCALE THE IMPLEMENTATION OF EFFECTIVE PRACTICES ACROSS THE SECTOR

Argidius has identified five key characteristics that drive impact, summarised in a series of animations which can be watched [here](#). Behind each lies a series of lessons backed by rigorous research, findings from independent evaluations, and analysis of the performance data of thousands of enterprises which have accessed support from the 50 organisations we fund.

It is validating and encouraging to see impact when partners make adaptations based on these lessons. One partner, Business Council for Peace (Bpeace), who were running a volunteer-based consulting programme, had observed limited changes in performance of the first cohort of enterprises. Based on Argidius’ feedback around the key lessons, Bpeace adjusted their model. The second cohort of enterprises have created four times the number of jobs of the first cohort, and the return on total investment has increased six-fold. We would like actors across the sector (including

ARGIDIUS’ PARTNER TECHNOSERVE IS RATED THE #1 NONPROFIT FOR REDUCING POVERTY

TechnoServe has been named the #1 nonprofit in the category of reducing poverty by ImpactMatters which rates charities on impact and cost-effectiveness.

ImpactMatters assessed TechnoServe’s Impulsa Tu Empresa (ITE) programme in Central America as resulting in income gains of over \$30 per every \$1 contributed by a donor.

ITE is a business accelerator programme that provides two to three months of classroom training, and seven months of consulting to small and growing businesses.

Argidius has been the leading funder in the development and delivery of ITE.

implementers, investors, funders and policy makers) to understand what works and reliably delivers outcomes. Over the last few years we have been engaging the sector to share these key lessons, through learning partnerships and through participating in conferences as key speakers, in donor coordination groups and committees, providing inputs into sector research, and funding and engaging in collaborative initiatives around key topics such as ecosystem development.

Our approach to measuring impact and influence is still nascent, but there is promising emerging evidence. Monitor Deloitte assessed the impact of one of Argidius' key learning partners, The Aspen Network of Development Entrepreneurs, and found the following in relation to Argidius supported work:

- 63% of surveyed ANDE members [practitioners] indicate research has impacted priorities and practices (Global Accelerator Learning Initiative publications are most visited)
- 90% of members state they make more decisions based on data
- "We have differentiated between SGBs and micro, small and MSEs because of our learning about SGBs through the ANDE network." – Small Foundation

ASSESSING OURSELVES

In 2019, we commissioned the Centre for Effective Philanthropy (CEP) to carry out our first Grantee Perception Report. The survey collected feedback

from 40 of our partners. We are both delighted with the results and grateful for the feedback on areas in which to improve.

EXCEPTIONALLY STRONG IMPACT ON AND UNDERSTANDING OF GRANTEES' FIELDS

Argidius is perceived as having an exceptionally strong impact on and understanding of grantees' fields. Ratings put Argidius in the top 10% of CEP's dataset of funders for our impact on grantees' fields, and place us at the top of the dataset for our understanding of grantees' fields. Grantees also note that Argidius is "proactive in sharing lessons learned from various interventions", and "rate Argidius higher than nearly all other funders in the dataset for the advancement of knowledge in their fields."

OPPORTUNITIES FOR IMPROVEMENT

The results also identified areas for improvement. Moving forward, improving our responsiveness, accelerating the development of relationships with grantees, and refining the reporting process emerged as our three priorities.

If you would like to find out more about what we are learning, contact us , visit us at www.argidius.com, or follow us on Twitter (@Argidius), LinkedIn (Argidius Foundation), or Youtube.



CHAPTER 2

SMALL AND MEDIUM-SIZED ENTERPRISES LEADING THE AGENDA ON SUSTAINABLE GROWTH

Across the world, SMEs are the engines of social development, economic growth and innovation. Argidius focuses on the creation of economic opportunity through the support of SMEs. We believe that inclusive economic growth is one of the primary drivers of change in low-income countries. The world is currently going through monumental challenges and as we keep working to achieve the UN Sustainable Development Goals, it will be vital to enhance our efforts to provide tailored capacity development services to support our partners and entrepreneurs.

All businesses have been affected by the Covid-19 crisis and this is true of all the projects we highlight in this chapter. The ability to pivot has been essential as they navigate their way forwards through these uncertain times. The stories of the entrepreneurs and partners we give voice to in the following pages shine the spotlight on our guiding and abiding principles – service, justice, integrity and compassion.





BUSINESS WITH A HEART

PROMOTING AUTONOMY FOR DISABLED FORMER DIVERS

Diving for lobsters is a dangerous business – especially in the Northern Caribbean region of Nicaragua. Here the rate of diver disability is exceptionally high, due to a lack of both adequate equipment and safety awareness. Diving too deep and coming up too fast causes ‘the bends’ – a build-up of nitrogen in the body that can lead to paralysis or death.

Endemic poverty and scant job opportunities are driving more and more people to diving, but lobsters are becoming scarcer in shallow waters. Thus, despite new regulations, the work is increasingly perilous. Though well-paid, injured divers – who are almost exclusively men – become outcasts in a society where they were once valued breadwinners. “Disabled ex-divers are often abandoned by their families or hidden away,” says Martha Down, a disability-rights activist in Bilwi, Puerto Cabezas on the Caribbean coast. “They should be seen as individuals and citizens of society.”

This is a little-known part of the world with a unique problem. But when Manuel Román, CEO of Industrias Tema, a company that manufactures bespoke wheelchairs and other mobility aids in Nicaragua’s capital, heard about the plight of the divers and their families, he decided he had to get involved. “It had been my dream for many years to help people in this

area because it was very difficult for them to get a damaged wheelchair repaired,” says Manuel. “It would almost be cheaper for them to buy a new one.”

Manuel has been an advocate for disability rights since the 1980s when he fought in the country’s Contra War, which took the lives of tens of thousands of Nicaraguans. Aged only twenty, Manuel was shot in the back and the injury affected the movement of his right leg. He eventually trained in business administration before founding Industrias Tema in 2001 with a group of young people with disabilities – some wheelchair users, others hearing-impaired.

Manuel’s first visit to Bilwi on the Caribbean coast revealed the conditions the divers lived in. “They go from being the head of the household to becoming a burden, relegated to another part of the house or hidden away,” he explains. “A lot of them are abandoned by their families. Some

find activities like making crafts, carpentry, selling lottery tickets; others end up living on the streets.”

Manuel started working with activist Martha, quadriplegic since a swimming accident when she was 19. As the first disabled person in Bilwi to graduate from high school, Martha carried a lot of influence. Together, they organised a fortnight-long wheelchair-repair course. “Some ex-divers become drug addicts because of their injury,” says Martha. “They lose their independence and self-esteem. In the Caribbean climate, wheelchairs are quickly damaged by the sea air, and many divers cannot afford food, never mind mobility aids.”

The initial workshop was organised as ‘repayment’ to Argidius’ partner Thriive Nicaragua for a US\$10,000 loan they had provided Industrias Tema. Thriive works with small and medium enterprises (SMEs) in different

sectors to generate a culture of social responsibility. Beneficiaries can access loans as well as training and networking opportunities, with 10% of the loans repayable in cash, while the rest is given back in the form of community investment or ‘repayments.’

Martha says that people’s attitudes have begun to change as a result of this project. “Among the injured divers, greater self-esteem has started to lead to decreased rates of drug and alcohol abuse,” she says.

Thriive’s Maryangel Alemán points out that Nicaragua’s economy is largely sustained by SMEs, which provide an accessible alternative to the informal market. “Many people don’t finish school,” she says. “They don’t get qualifications and end up working in the informal sector. Thriive’s support helps entrepreneurs like Manuel Román escape this cycle and can also provide employment to others.”





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MANUEL IS A REMARKABLE EXAMPLE OF AN ENGAGED AND PROACTIVE INDIVIDUAL WHO BELIEVES THEY HAVE THE POWER TO TRANSFORM THEIR COMMUNITIES. DISCOVERING THIS POTENTIAL WITHIN YOURSELF IS REVEALING, AND GIFTS OTHERS WITH CONFIDENCE.”

Irene Garcia, Programme Manager Argidius

One of the challenges Industrias Tema faced at its inception was a lack of capital for vital but expensive equipment, such as a bending machine. “We went to a scrapyards where they recycle metal, and had a light-bulb moment,” says Manuel. “We used a truck’s brake drum to make our own bending machine – for under US\$100!”

People advised Manuel to patent this innovation but he was unwilling to make money from something people needed, and instead allowed a team from San Francisco University to use the model in parts of Asia and Africa. “We were overjoyed to learn that our idea had been useful to other people,” says Manuel. “We still use this tool and replicated it for our work on the Atlantic coast.”

Irene Garcia, programme manager with Argidius, says that what she finds most fascinating about this project is that it has allowed what started as a “vertical philanthropic relationship to turn into a more resilient horizontal one of solidarity.”

“What I feel has been the main impact here – beyond revenue growth and the creation of employment – is an engaged and proactive

individual who believes they have the power to transform their communities,” she says.

“Discovering this potential and power within yourself is revealing, and gifts others with confidence.”

Many of the injured divers have been able to reinsert themselves in the labour market and one has set up a repair workshop in his home. “One hundred per cent of people working in wheelchair repair in Bilwi have been trained by us,” says Manuel proudly.

Industrias Tema has been working full tilt during the Covid-19 pandemic, supplying organisations including hospitals with wheelchairs. They are requesting a further loan from Thrive to help them branch out.

“Survival means diversification,” says Manuel. “We want to be around for the long-term.”

GROWING SOLIDARITY

Enérgica Solar sells solar installations in western Guatemala. Supported by Argidius partner, Alterna, it has gone from strength to strength.

“It all started as a Messenger chat,” says Marvin Eduardo Sac Garcia, CEO of Enérgica Solar, SA. “I was about to start university and my old school friends and I were a bit desperate for money.”

So Marvin and his two friends set up a small business offering electrical installations for private customers. Then an acquaintance expressed an interest in solar energy. As the products were not available in Guatemala, the friends found a company importing solar products. They agreed that if the company would sell the products, Marvin and his friends would install them.

Eventually, in 2009, the owner of this company, Casa Solar, left the country, and the trio was able to buy it. They turned from technicians into entrepreneurs. In 2018, Casa Solar became Enérgica Solar, with Marvin as the sole proprietor. Rich in experience and with the infrastructure, reputation and business contacts of a company that was over ten years old, Enérgica Solar has gone from strength to strength. So much so that sales are up 37% from last year, despite the current coronavirus crisis.

Marvin points out that the help they have received from Alterna, a social innovation organisation, has been vital at key moments of

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WE HAVE HAD THE FORTUNE TO WORK WITH ALTERNA SINCE THEIR EARLY DAYS, FOR ABOUT SIX YEARS NOW. IT HAS BEEN REALLY GRATIFYING TO WITNESS THEIR EVOLUTION AS AN ORGANISATION – FROM ONE WITH A HANDFUL OF EMPLOYEES WITH BIG DREAMS TO A REALLY PROFESSIONAL INSTITUTION THAT HAS GROWN ITS REACH AND DEPTH. WITH THEIR OWN MATURING, SO HAS THE SUPPORT THEY PROVIDE TO ENTREPRENEURS.”

Irene Garcia



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PEOPLE FEEL BETTER HAVING ELECTRIC LIGHT IN THEIR HOME. I HAVE NOTICED CHANGES IN PEOPLE'S MORALE AND IN THEIR PRODUCTIVE LIFE.”

growing Enérgica Solar. “Alterna has given us technical and practical advice as well as moral support during difficult, transformative moments,” he explains.

Marvin's journey with Alterna started in 2013. At the beginning, Alterna worked with Marvin and his two partners as Casa Solar. When Marvin founded Enérgica Solar five years later, Alterna – impressed by his resilience and hard work – was happy to support him to build a strategic plan. “Marvin has been an exemplary entrepreneur, who has dedicated a lot of energy launching and developing an innovative solution for clean energy in rural areas,” says Manfred Bauer, Cultivation Director at Alterna. “Being an entrepreneur is not easy, but with the right help you can clarify your panorama,” Marvin adds. “The people at Alterna don't do things for you, they guide you to the solution.”

Alterna supports businesses to grow not only their profits, but also societal impacts in terms of positive social and environmental change. It does this via capacity-building workshops in four main areas: operations, commercialisation, impact and finances. Reducing the ecological footprint for clients was always important to Marvin and his team.

But until working with Alterna, they had never been able to quantify this. Through Alterna's programme, they began measuring impacts. These days, they know exactly how many kilowatt hours, how many trees and how much water is being saved. According to Marvin: “Each of our systems saves around 200,000 litres of water per year.” As well as environmental considerations, solar energy is particularly important in Guatemala's off-grid rural areas, which are not served by electricity suppliers. Many communities are totally disconnected in every way, with no sewerage system, no running water (except via rainwater collection) and no electricity.

“People feel better having electric light in their home,” says Marvin. “I have noticed changes in people's morale and in their productive life – people can spend more time doing tasks at night, while their costs for candles or petrol decrease. In some places, people have to walk to the local village and pay to charge their phone. Having solar power in their houses means they don't have to make these trips.”

Even in urban areas, solar installations can save customers significant amounts, in a country where electricity is not cheap. The price of

electricity decreases by 30-40% when solar panels are installed, says Marvin. “A solar installation saves you on average 200 quetzals a month,” he explains, “and considering that the minimum wage in Guatemala is 3,075 quetzals per annum, then in a year you almost save the salary of one person. Enérgica Solar has helped clients save a total of 10 million quetzals (around US\$1.3 million) over two years.”

Enérgica Solar now installs panels everywhere from earth-floored adobe houses to luxurious condominiums. Marvin's skills, focus and ambition, and Alterna's support, have made Enérgica Solar remarkably stable and successful for such a young business. It has grown from zero employees in 2018 to 23 employees in 2020. And although plans for expansion to other areas of the country are on hold due to Covid-19, Enérgica Solar has not laid any of its core workers off during the pandemic.

“I feel responsible for my employees,” Marvin says. “They are loyal and work really hard. They can be up at 5am to go out on a job, or install panels in the pouring rain. There is a kind of all-for-one and one-for-all feeling, like a family. We either all survive this crisis, or we will all go down.”



Wendy Racique, with her children, receiving a solar panel for her home, where she has lived without electricity for eleven years. The panel and installation charges were given free of charge due to her economic situation.



ALIANZA

A TRANSFORMATION

“For five generations our ancestors worked on a private farm called Finca Alianza,” says Javier Amado Jimenez from the community of Nueva Alianza in Guatemala’s western highlands. “In 2002, the owner stopped paying their wages. The workers were all at risk of destitution after months of unpaid labour.”

Close to the Sierra Madre de Chiapas mountain range, directly below the Santa Maria volcano, Finca Alianza is situated at around 1,000 metres above sea level. Originally a coffee farm owned by a wealthy family from Guatemala City, the land-owner began planting macadamia nuts in 1990, then secured bank loans to increase cultivation when he realised he could make money. Meanwhile, the price of coffee – still the main crop – dropped dramatically, and profits evaporated into interest payments to the bank. Bankruptcy struck at the end of the 1990s and the bank took possession of the farm.

Floriselda Ajtun vividly remembers how life was before the workers set up their own company, producing organic macadamia nuts for export. “Living under a landowner was hard,” she recalls. “We had no control over our lives and experienced a lot of anxiety. Losing our jobs would have meant losing our homes too, losing everything.”

The workers living on the farm decided to organise themselves. They negotiated with the bank,

supported by the Fondo de Tierras, set up in 1996 at the end of Guatemala’s bloody civil war to help redistribute land. The Fondo also provided a subsidised loan to help them pay for the land. The newly-born Alianza cooperative (Importadora y Exportadora Agrícola e Industrial Alianza, S.A.) received the deeds in 2004, became a public limited company in 2007, and finished paying back its loan three years ago.

Nueva Alianza is currently made up of five hundred inhabitants and one hundred and five families, a thriving community where living conditions compare favourably to those in neighbouring areas. Conditions have also vastly improved since the precarious days when workers’ families enjoyed few educational or self-development opportunities.

“We have our own clinic, and some community members have cars and can give lifts to the city,” says Floriselda. “Pregnant women and mothers with small children no longer have to walk all that way, or travel 22 kilometres to Retalhuleu for check-ups or treatment.”

There are also better education prospects for Nueva Alianza’s children. The community school, which previously only had one teacher for six grades, now employs teachers for every grade, and has begun to offer secondary education. With links to local coffee-growing associations and other organisations, Alianza is also benefiting from other training opportunities. A recent bakery workshop run by INTECAP (the Guatemalan state training entity) was attended by several of Nueva Alianza’s young people. One of them has since set up a bakery in the village.

Alianza is responsible for these changes. The democratically-run company is as equally concerned about improving the living conditions of its sixteen partners and sixty three producers and their families as it is with making a profit. Its partner-producers, eight men and eight women, farm their own pieces of land within the community. Flor is one of these partners. Her role gives her a responsibility she cherishes and the opportunity to be more than a housewife. “However, our role in the business is limited,” she points out, “partly because we don’t have the time to give outside the house.” Flor would like to see capacity-building for women and awareness-raising for men about creating the right conditions for equality and sharing the domestic burden.

As well as social investment, Alianza has prioritised the importance of a healthy environment, and gained organic certification in 2007. “All the family is involved in harvesting,” says Javier, who leads the company. “Their safety is paramount. Twenty years ago, totally unprotected workers would treat plants with chemical products, and now they are feeling the physical consequences of this exposure.”

Another important transition was the move from being primarily producers of coffee to producing macadamia. Javier says macadamia is much easier to grow than coffee, and more profitable. “There is a lot of demand too. “At the moment we work with one company in Germany, but we have had interest from France and the USA,” he explains. Nueva Alianza has a hot, tropical climate with abundant rainfall – ideal for macadamia which needs mild frost-free conditions and plenty of water to guarantee a good harvest. The community is the only macadamia nut producer in Guatemala with organic certification.

Now, Alianza is making ambitious plans for the future: community members want to invest in a processing plant that will shell the macadamia, thus allowing them to export the more profitable kernel instead of the whole nut. Christian Relief Services (CRS) is poised to loan the US\$350,000 needed for the machinery. This is where Argidius’ partner Pomona comes in. In 2019, Pomona – an investment fund and company accelerator working

with projects that generate a positive environmental or social impact – supported Alianza with capacity-building, and has recently resumed its involvement. It hopes to help secure the loan from CRS, which, in recognition of Pomona’s valuable work, requested a renewal of the Alianza-Pomona association. For the Alianza team, their previous participation in Pomona’s acceleration programme was a useful experience. “We learnt a lot in a very short time, and we are putting those things into practice,” says Javier.

Javier Fresco, Incubation Manager at Pomona, states: “The social investment of Alianza is what interested us. They pay producers 15 to 20% more than the market price while providing them with support, training and capacity building for obtaining and maintain the organic certification. They want their producers to be loyal and to have good standards of living.”

So far, the investment seems to be paying off in this inspiring community.

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I AM EXCITED ABOUT THE POTENTIAL OF SUPPORTING COMPANIES SUCH AS ALIANZA. BUILDING LOCAL AGRIBUSINESS’ CAPACITY IS IN MY OPINION ONE OF THE MOST FUNDAMENTAL ACTIVITIES OF THE COMING YEARS.

THE WORK OF POMONA AT THE INTERSECTION OF SMEs AND AGRICULTURE IS OF EXTREME RELEVANCE RIGHT NOW. THE AGRIBUSINESS SECTOR WEAVES TOGETHER COMMUNITY, NUTRITION AND ECOLOGY AND THUS BECOMES CENTERPIECE TO A MORE JUST AND HEALTHY SOCIETY.

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Irene Garcia



CANCER CAFÉ

SERVING TEA, SWEET POTATOES AND CANCER SURVIVAL IN KENYA

It was two weeks into Nairobi's lockdown from Covid-19 and Muthoni Mate felt she could no longer allow the community she cared for so deeply to struggle any more. Muthoni, the founder of Cancer Café Kenya, a network that brings together people living with cancer, was spending hours every day on the phone trying to support cancer patients who couldn't find food.

"There were scores of vulnerable people in some of the poorest areas of Nairobi in a terrible situation," she says. "Their cancer treatment had stopped and they couldn't buy medicine. Some of them were casual labourers, or did jobs as gardeners or receptionists and their work and income had just vanished." As a cancer survivor herself, Muthoni was also finding things difficult. "My anxiety levels shot out of the roof when Covid-19 happened," she says. "It took me back to when I was first diagnosed. The fear was crippling. You're afraid for your life, of going out, but then, you can't live in a bubble. You need sunshine, to take a walk."

Muthoni, an epidemiologist, was diagnosed with stage one breast cancer in 2016 when she was 36. "It came as a terrible shock and I hit rock bottom," she admits. "The hardest thing was thinking that I wouldn't be around to see my six-year-old daughter grow up."

She was fortunate to have a strong support system in her family who came with her to the hospital for her treatment. When her first surgery was botched, and she had to travel to Delhi for a mastectomy, her mother accompanied her.

"Talking to fellow cancer patients when I was back in my country, I realised how access to treatment is very restricted," she says. "There are only ten hospitals for cancer patients offering services like chemotherapy. Patients needing radiotherapy have to travel to Nairobi. Cancer treatment is expensive and leaves survivors and care givers financially depleted."

"My private health insurance ran out while I was still undergoing my first tests and having initial surgery. I tried getting more private insurance but discovered I'd need to be on a one-year waiting period before I could use it," Muthoni

explains. "This has meant I've been dependent on the National Health Insurance Fund, a public health finance system even though it covers only a small percentage of the finances needed. I have paid for the majority of my treatment from my own savings, which are now gone, and from donations from friends and family."

Muthoni felt compelled to do more research and connect with other people living with cancer. Soon complete strangers were reaching out to ask questions about her cancer journey and recovery. "Sometimes all they wanted was someone just to listen to them," she says. She discovered that in rural areas of Kenya, people with cancer are often considered cursed. "Throughout the country, the majority of families view cancer as a disease that will turn them into beggars," she says. "I realised it was vital to change these perceptions if patients were going to be able to access the right treatment."

Meanwhile, Muthoni was giving so much time to other patients during her own recovery that her family realised she needed to preserve her energy. "We had the idea to gather in one place and that's how Cancer Café was born," she explains. "I found a convenient place for people to get together to support one another and from then on it developed into a networking platform, linking patients to experts, including doctors, nutritionists, oncologists and psychologists."

Muthoni used her background as an epidemiologist and a person with lived experience as a cancer patient to start building a network of health-care providers, community

health volunteers, support groups and cancer survivors. Cancer Café received support and funding from Argidius partner ygap Kenya to explore business strategies to help the venture maximise its social impact, sustainability and growth.

"Each month we would have a forum that brought together patients and survivors with experts over a cup of tea and a healthy snack of sweet potatoes," Muthoni says. "This allowed people to have conversations to debunk the myths and misconceptions about cancer management. Because this was a relaxed setting, patients and their families could better absorb information and feel empowered to ask questions."

Muthoni was keen for the forum to be a safe place where people could be connected with information to improve their quality of life and not feel alone. "It's important to realise that we are not victims and can play an active role in our treatment," she says.

When Covid-19 came, there was a huge initial interruption to Cancer Café. "To begin with, we communicated via Facebook and Whatsapp," says Muthoni. "But not everyone has phones and computers. People were asking me, 'How do we get access to medicine, to healthcare, to appointments?'" Muthoni was acutely aware that the medical interruptions to patients' treatment were increasing feelings of frustration and hopelessness.

"There have been cases of abandonment when an individual with cancer has been viewed as an

WHY YGAP KENYA SUPPORTS CANCER CAFÉ

Carol Kimani, Country Director, ygap

At ygap, we aim to support organisations creating opportunities for people to lift themselves out of disadvantage. Cancer Café connects people living with cancer, providing credible information and creating networks needed to improve their quality of life as they go through treatment and after. The depth of this impact goes over and beyond.

ygap Kenya believed in Muthoni's vision to seek game-changing impact, her ability to create innovation that delivers results, her solid plans of action and how flexibility is built into the plan so strategy can be adjusted as necessary for sustainability goals.

Muthoni is an entrepreneur typically using innovative methods to address problems revolving around access to cancer management information and resources and this makes them responsible for sparking much of the positive change in Kenya.



extra burden to the family. When members of our community – who were already struggling to pay for treatment – could no longer buy food, I knew we had to act urgently.”

In collaboration with the Rotary Club, Safaricom Kenya and the National Cancer Institute of Kenya and Kapu Africa, Muthoni started a food drive programme, using the Safaricom initiative, Bonga for Good, to help crowdfund. So far the project is giving 140 cancer patients and their families nutritious meals. The support network is looking at working with corporates to help set the families up with training and resources to regain their independence.

“As a network, Cancer Café is evolving to embrace this new reality,” says Muthoni. “We’re working now to find new ways of enabling cancer patients to be more economically empowered and to be stronger in themselves. These are very hard times but we will get through this in the way we always do – supporting one another along the way.”

“
MUTHONI HAS CREATED A COMMUNITY FOR THOSE AFFECTED BY CANCER TO FIGHT STIGMA AND HELP THEM ACCESS INFORMATION AND NETWORKS TO HELP THEM FIGHT THE DISEASE. THROUGH YGAP’S SUPPORT, SHE IS DEVELOPING A SUSTAINABLE MODEL TO KEEP THIS NETWORK GOING TO PERFORM THIS VITAL FUNCTION.”

Mary Mwangi,
Grant Manager Argidius

CANCER CAFÉ’S RESILIENCE

As a result of Covid-19, the social distancing measures have limited Cancer Café’s monthly meetings. The venture has, however, quickly transitioned to using social media platforms to realign patients receiving treatment or getting a diagnosis for them to continue with uninterrupted access to healthcare and connecting virtually with specialists.

To add to this, the massive job haemorrhage in Kenya has left a number of cancer-affected families with reduced capacity to fully focus on getting them adequate nutritious food. Through crowdsourcing loyalty (Bonga) points – a new strategy for the venture – Cancer Café has been able to directly support families with their nutritious and care product needs to enable them to continue with treatment.

SOMO

EMPOWERING ENTREPRENEURS TO CHANGE THE WORLD

“Somo is the root of a Swahili word meaning lesson,” explains Amelia Hopkins Phillips, the founder of the non-profit Kenyan organisation Somo. “Here at Somo, we believe we all have lessons to learn from one another.”

Amelia’s drive to start Somo began in 2012 when she became aware of just how unsustainable many NGO projects were in the different places she was working across Nairobi. “These were NGOs coming in from abroad,” she explains. “They’d start programmes and there wasn’t always a lot of buy in from the local population, so the projects wouldn’t last for very long.”

Amelia began working with a number of youth groups, listening to how they wanted to create change and address the needs they were seeing in their own communities. “Across Kenya, some of the most remarkable, community-changing ideas come from residents living in low income informal settlements,” she says. “What is frustrating is that many of them lack the training, capital, mentorship and market access to even start their business.” “Somo grew out of this,” she continues. “We wanted to support local initiatives coming from informal settlements across Nairobi that were sustainable long-term and which didn’t need

continuous infusions of capital to keep going. We wanted to encourage leaders to dream big and build scalable enterprises that otherwise would not be given a chance.”

Since its launch, Somo has grown from a concept to an organisation which receives close to 2,000 applications annually from entrepreneurs looking to launch their business ideas. Applicants who are accepted undergo a 12-week boot-camp, where they learn business start-up skills and receive funding for their ideas. Somo itself employs 23 full-time members of staff, some of whom have gone through its entrepreneurship boot-camp and acceleration programme and have grown up in the areas Somo works in.

“Somo is unique in the holistic approach it takes, the demographic we target and the long-term commitment we make to entrepreneurs,” says Amelia. Since the onset of Covid-19, Somo has shifted its training model online, delivering sessions as virtual lessons over Zoom.

“This has not only helped individuals keep safe by maintaining social distance,” says Amelia. “It’s also introduced trainees to digital platforms such as Zoom and Google Classroom, while allowing us to create an environment of constant learning. Our goal is to provide both Somo entrepreneurs and entrepreneurs across Kenya access to this content to help build their businesses.”

The organisation has also invested in making its reporting systems more accessible. MyDuka is an SMS-based system, created for micro-enterprises, that allows entrepreneurs to submit daily or weekly financial results and automatically generate cash-flows and income statements. Entrepreneurs from informal settlements and rural areas can access this service using a basic mobile phone.

“We are strong believers in starting everything from the grassroots,” says Amelia. “Our entrepreneurs are our most important partners.”



SLUM BLOOMS INTO URBAN OASIS

A COMMUNITY GARDEN IS PROVIDING A LIFE-LINE IN A NAIROBI SLUM, WHERE RESIDENTS TEND AND CULTIVATE THEIR OWN GREEN SPACES

Born to a single parent mother in the slum community of Baba Dogo in Nairobi, Gregory Kimani experienced first-hand what it meant to lack food. “My mother couldn’t afford three meals a day,” he says. “As a child I depended on school-feeding programmes. But even as a young boy, I knew things could be better for slum-dwellers. I felt that the solutions were all around despite the dilapidated conditions we lived in.”

Gregory’s mother relied on family friends to help pay for her son’s secondary school fees. When money didn’t materialise, which happened regularly, Gregory’s teachers refused to teach him. The frustration of not being able to attend school was compounded by gnawing hunger.

“I remember weeping with humiliation in the bus, three weeks to national exams, when the school sent me home, telling me I couldn’t take the exams,” Gregory says.

Gregory’s mother had a deep faith and was a very determined woman, Gregory says. “Our prayers were answered,” he says, “when a nun my mother had approached came forward and paid my outstanding school and examination fees.” Gregory passed his exams and his results helped him secure government sponsorship to do a degree in environmental conservation at the University of Nairobi. After graduating he moved to the slum community of Kayole and decided to try and help other low-income families to grow their own food.

“I wanted to start by changing people’s perception towards agriculture and show that urban areas can definitely be part of the solution,” he says. “Most households in slums have little spaces that if managed well can be used to produce food for consumption,” he adds. Using a patch of land donated by his community, Gregory started his business Mwenyenye Greens in an area of land measuring eight by fifteen metres. He began by planting highly nutritious indigenous vegetables such as kunde (cow peas), manage (amaranthus) and other leafy vegetables which could grow in small spaces.

Though the national diet in Kenya is rich in food varieties, urbanisation has eroded this with sugars and starches replacing the number of vegetables. Lack of protein has been linked to food insecurity and malnutrition in urban households. Gregory purchased a goat for milk and rabbits to be bred for meat. “Mwenyenye means ‘a place where people gather’ in the Kamba language. “I was determined to change the perception amongst local people that farming could only be done in the countryside,” says Gregory. “I did this by bringing them

together and showing them what could be achieved on a small community farm.”

Gregory developed an underground watering system and started training people in hydroponic gardening – growing plants without soil and feeding them in mineral nutrient salts dissolved in water. All the space has been used in different ways including growing plants on the walls. The project uses recycled products for containers including tin cans and tyres to grow plants in. “I showed people how to plant food and vegetables in sacks and containers, on their roof tops and balconies,” Gregory smiles.

Mwenyenye Greens applied for funding from Argidius partner, Somo, which works with small enterprises in informal settlements within Nairobi. The funding enabled them to start growing the business and work with local youth groups, primary and secondary schools and individual community members. Gregory also did a number of training programmes with Somo. “This allowed me to understand social entrepreneurship and get an in-depth knowledge on how to run and operate my initiative,” says Gregory. “It’s made monitoring

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I SHOWED PEOPLE HOW TO PLANT FOOD AND VEGETABLES IN SACKS AND CONTAINERS, ON THEIR ROOF TOPS AND BALCONIES.

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MWENGENYE GREENS WAS BORN OUT OF THE GREAT NEED FOR ACCESS TO ADEQUATE, NUTRITIOUS FOOD FOR MILLIONS LIVING IN INFORMAL SETTLEMENTS. HAVING WALKED IN THEIR SHOES, GREGORY EMPOWERS THESE COMMUNITIES TO FEED THEMSELVES. SOMO IS PLAYING A CRUCIAL ROLE IN TURNING THIS NOBLE IDEA INTO A VIABLE, SCALABLE BUSINESS.”

Mary Mwangi

and evaluation work of my cashflows and social impact easier.”

The grant Gregory received from Somo allowed Mwengenyne Greens to purchase two water storage tanks for easier watering. He was able to improve the small Urban Agriculture and Information Centre he’d set up on the community farm and start doing more research about urban agriculture, looking at how specifically to tailor the business to the local population’s needs. “Gradually little oases of green started to spring up around us,” Gregory explains.

“Gregory exemplifies what it means to be a Somo entrepreneur. He not only is a driving force of change in his community of Kayole but he is also committed to helping other entrepreneurs from low-income areas start and grow impactful businesses,” says Amelia Hopkins Phillips from Somo. “Gregory works as a mentor with Somo trainees going through our three-month programme, helping them refine their business models and grow their ideas. His natural ability to lead is clear in the

mentorship he provides and the way he motivates his team.”

“The lockdowns caused by Covid-19 have presented a huge challenge for impoverished people to access food,” says Gregory. “Eighty per cent of Kenya’s working population depend on daily wages to support and feed their families and they have been dealt a major blow by Covid-19,” says Gregory. “Poor and vulnerable groups are most affected by the economic and social impact of the pandemic.”

Mwengenyne Greens have been supporting some of the most vulnerable members of the community by providing them with bags filled with fruit and vegetables which can grow in small spaces and are helping the community to use any limited space to produce food. “The urban poor were already living in abject circumstances in Nairobi even before Covid-19,” says Gregory. “It’s going to take collaboration, a greater reverence for nature and a new way of approaching food production if we’re going to get through this, but that is what we’re determined to do.”

ENZI HEALTH

THE MOTORBIKE MEDICS REVOLUTIONISING HEALTHCARE IN NAIROBI

As a young boy growing up in the village of Kyangesu in eastern Kenya, Shem Mutulu vividly recalls the moment his youngest brother, Kevo, came into the world. It was the middle of the night and there was no way of transporting his mother to the local hospital. So her ninth child was delivered at home by two traditional birth attendants. In the absence of any pain relief, Shem still remembers the agony on his mother’s face. Fortunately, it was a relatively straightforward birth. He knows though, that had there been any serious complications, it would have been a very different scenario.

“I was profoundly moved by my mother’s experience, and I think it was pivotal in my choice of a career in medicine,” says Shem. “Even back then, the healthcare infrastructure in rural Kenya wasn’t very good, so as a teenager, I vowed to play my part in trying to change that.”

Nearly three decades on, and still inspired by that childhood memory, Shem is working as a paramedic, having trained at the Kenya Medical Training College. He is one of a growing team of medics on motorbikes revolutionising healthcare in Nairobi by treating patients in their own homes. He works for a pioneering social enterprise called Enzi Health, which is

changing the face of primary healthcare in Kenya. “I love my job because it is truly unique,” he explains. “We offer a very personalised medical service and we are really making a big difference to people’s lives, especially in the wake of the Covid-19 pandemic.”

With the goal of providing accessible and affordable healthcare, Enzi Health was officially launched in 2016. It initially set up “bricks and mortar” clinics in both Nairobi and rural western Kenya, but then came up with an alternative way of delivering healthcare in the capital. The team introduced Hail-A-Clinic in Nairobi, a service which Shem says is effectively “bringing the hospital to people’s homes”.



Instead of queuing for hours for a hospital appointment, anyone living in Nairobi can phone Enzi Health or use the app. For the equivalent of around US\$10, patients can be seen, diagnosed and treated by Shem or another member of the clinical team. Alternatively, patients can make fixed, pre-arranged monthly payments of around four or five dollars. The fact that the medics can travel on two wheels to people's homes makes it much easier for them to navigate their way through the city's traffic.

Fadhili Chacha Marwa is the co-founder of Enzi Health. "We wanted to do something to address the fact that in our country, around 46% of the population lives below the poverty line and also that many of our hospitals are under-resourced and people are now very afraid of going there because of Covid-19," says Fadhili.

"Most of our patients live in the highly populated areas of Nairobi, and regardless of their financial situation, health is a priority for them. So when they get sick, they manage to find the money in order to bypass all the hospital queues and get a speedier, safer solution."

Fadhili and the Enzi Health team use a portable laboratory called the Health Cube, designed by an innovator in India, weighing less than a kilo. It fits neatly on the back of a motorcycle, and means that clinicians can carry out up to 60 tests in someone's home. These range from routine physical examinations and check-ups to tests for infectious diseases including malaria, typhoid and an antibody test for Covid-19. If

specialist treatment or an operation is required, patients are referred to the relevant healthcare specialist or hospital.

"We are also alleviating anxiety levels," says Fadhili. "Within half an hour of our medics arriving on site, patients can have their consultation, laboratory test results and prescription, and we also enable them to have digital access to their medical records."

"Thanks to the Health Cube, we are not just saving our patients' time, but also saving lives," he adds.

Mother of four, Shamiz Hassan, believes Enzi Health did just that. When her nine-year-old daughter, Hanaan, became seriously ill, Shamiz took her to a hospital in Nairobi, where they queued for hours. After seeing how ill Hanaan was, the doctors recommended admitting the little girl to hospital immediately, but because of the risk of Covid-19 infection, Shamiz was unsure what to do. Then, a friend told her about Enzi Health. "I was amazed, within twenty minutes of calling Enzi Health, Mr Mutulu had arrived at our house and shortly afterwards, he treated my daughter for food poisoning.

An hour later, she was even asking for something to eat," Shamiz says. "It was such a relief. Mr Mutulu was so personable and provided a very quick, efficient and good value treatment and a great follow-up service."

Fadhili is keen to stress that Enzi Health may not have got off the ground without the help of

Villgro, an early-stage business incubator of start-ups in the health sector, supported by the Argidius Foundation. Villgro invested US\$50,000 in the social enterprise. It is also providing them with a mentoring programme, including weekly brainstorming and strategy sessions, and accompanies paramedics like Shem in the field.

Robert Karanja is the co-founder of Villgro. "I am so proud that we have been able to support Fadhili and his colleagues on this project," he says. "When identifying businesses we are going to collaborate with, we look for passion, commitment and staying power. The genius with Enzi Health is that their business model incentivises preventative healthcare. It's in Enzi's interests that their patients stay healthy."

"Villgro believed in us and gave us the confidence to do what we needed to do" says Fadhili. "They effectively held our hands every step of the way and ensured that we delivered the service we had envisaged. Together we are bringing about positive societal change."



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