



# GLOBAL PARTNERSHIPS

## IMPACT-FIRST INVESTING

ANNUAL REPORT 2020



# LETTER FROM THE CEO



This was a year of strong results for Global Partnerships (GP) coupled with unprecedented challenges posed by the global pandemic.

By the numbers this year, impact-first investing by GP-managed funds brought opportunity to nearly 4.9 million people living in poverty in 23 developing countries. The breadth of our investing increased to 16 active initiatives across different facets of poverty in livelihoods, education, energy, health, housing, and sanitation. Across all affiliated funds, GP grew its combined portfolio to approximately \$125 million at fiscal year-end. GP also continued to effectively leverage philanthropy - with every philanthropic dollar enabling more than thirty dollars of fund capital at work, making a difference in peoples' lives.

Beyond the numbers, this year was defined in many ways by the global pandemic, which brought extreme hardship for people living in poverty along with compelling reminders of their resilience.

While the effects of the pandemic vary across the countries where we invest, we have witnessed those living in poverty experience precipitous declines in household incomes, rising food insecurity, and heightened risks of exposure to the coronavirus. Many microentrepreneurs' businesses were shuttered as informal markets closed and transportation systems shut down. Smallholder farmers have been vulnerable to interruptions in logistics, making it harder to obtain seeds or fertilizer and get crops to market. People living in crowded informal settlements have limited ability to practice preventive measures such as social distancing, thus living at greater risk of illness. There are signs that decades of developmental progress could be reversed, with millions of people slipping more deeply into poverty.

# LETTER FROM THE CEO

In the face of these challenges, we have also witnessed resilience and adaptation – by clients served and by our social enterprise partners that support them. Some microentrepreneurs, such as Blanca (featured later in this report), are reinventing their businesses while some social enterprise partners such as Friendship Bridge are providing critical support by restructuring microloans and adapting training programs. Through our use of mobile-based client surveying known as Lean Data<sup>SM</sup>, we have seen the positive impact these investments can have, especially when it comes to empowering women and enhancing the economic resilience of households living in poverty.

The role of thoughtful, impact-first investors has never been more important. Global Partnerships is working with each of our 91 social enterprise partners to understand and support their efforts to respond to the pandemic and to the changing needs of their clients. At the same time, we are bringing discipline to the process of helping these social enterprises develop viable plans to emerge from the pandemic as sustainable and growing entities that can serve people living in poverty in future years. We are committed to preserving impact in this moment and keeping our eye on the long-term need for sustainable global development.

Thank you to all of our donors and investors. Your compassion and ongoing commitment make this work possible.



With Gratitude,

A handwritten signature in black ink that reads "Rick Beckett". The script is fluid and cursive, with a large, stylized 'R'.

**Rick Beckett**  
CEO  
Global Partnerships





# IMPACT PERFORMANCE THIS YEAR

## BROADENING OPPORTUNITY

16

active initiatives  
addressing different  
facets of poverty

## DEEPENING INCLUSION

100% of partners reaching  
people living on less than  
\$5.50 per person, per day\*

71% 70%

female clients\*\* rural clients\*\*

## SERVING MILLIONS

4.9MM

lives impacted\*\*\*

## IMPROVING LIVES

96%

of clients reported  
an improvement  
in quality of life\*\*\*\*



All numbers in this report above one million are rounded to the nearest 100,000.

\* \$5.50 PPP/person/day. Purchasing Power Parity (PPP) is a metric that compares different countries' currencies through a "basket of goods" approach.

\*\* These figures are as of June 30, 2020. "% female" data was reported by 73 out of 91 current partners; "% rural" data was reported by 70 out of 91 current partners.

\*\*\* All lives impacted figures in this report are estimated numbers of lives impacted (between July 1, 2019 and June 30, 2020) as a result of investments in partners by GP funds and out-of-fund investments.

\*\*\*\* Based on responses from 3,455 clients of ten partners within GP's debt funds (Social Investment Fund 5.0, LLC [SIF 5.0]; Social Investment Fund 6.0, LLC [SIF 6.0]; and Impact-First Development Fund [IFDF]). Some partners have investments from more than one fund. Responses were collected before June 30, 2020 through mobile-based client surveying methodology known as Lean Data<sup>SM</sup>. This figure is a weighted average by number of respondents. Results are not statistically significant nor representative of the outcomes achieved by all investee partners. Results are intended to provide insight into whether investments can reach desired segments and support intended outcomes.

# ACTIVE PORTFOLIO\*

As of June 30, 2020

## \$124.9MM

impact-first capital

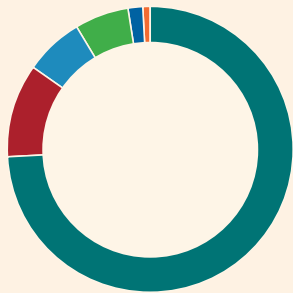
## 91

social enterprise  
partners

## 23

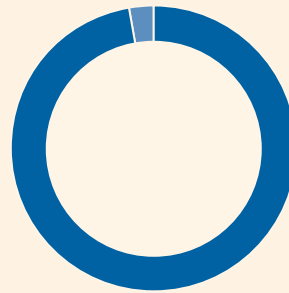
countries

### BY OPPORTUNITY AREA



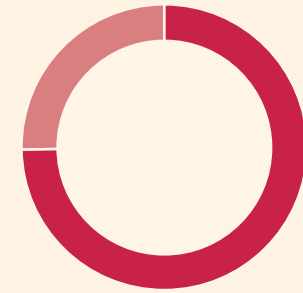
**\$94.4MM** LIVELIHOODS  
**\$13.5MM** HEALTH  
**\$8.6MM** ENERGY  
**\$7.7MM** HOUSING  
**\$445K** SANITATION  
**\$275K** EDUCATION

### BY STAGE



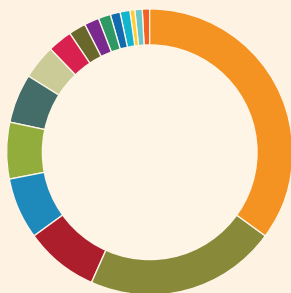
**\$121.7MM** DEBT FUND  
**\$3.2MM** EARLY STAGE

### BY REGION



**\$93.4MM** LATIN AMERICA  
& CARIBBEAN  
**\$31.5MM** SUB-SAHARAN  
AFRICA

### BY INVESTMENT INITIATIVE



**\$50.4MM** Women-Centered Finance with Education  
**\$30.8MM** Rural-Centered Finance with Education  
**\$10.8MM** Women-Centered Finance with Health  
**\$8.1MM** Solar Lights  
**\$7.7MM** Home Improvement Finance  
**\$5.9MM** Smallholder Farmer Market Access  
**\$3.5MM** Microentrepreneur Growth Finance  
**\$2.7MM** Health Clinics

**\$1.7MM** Smallholder Farmer Inputs  
**\$1.3MM** Artisan Market Access  
**\$800K** Productive Asset Finance  
**\$495K** Cookstoves  
**\$445K** Urban Sanitation  
**\$150K** Adult Livelihood Learning  
**\$150K** Informal Retailer Inputs  
**\$125K** Digital Study Materials

\*Throughout this report, data referenced as "Active Portfolio" or "Fiscal Year 2020 Results" includes holdings by GP and all active affiliated funds as of June 30, 2020.

## IMPROVING LIVES



## DEEPENING OUR UNDERSTANDING OF IMPACT\*

At the center of Global Partnerships' mission are the clients served by our social enterprise partners. Our approach starts with the question: what products and services are truly making a difference for people living in poverty?

GP's affiliated funds invest where evidence convinces us that people living in poverty not only have access to, but value the opportunity being delivered and are empowered by it – economically or otherwise – to improve their lives.

Then we listen to clients to understand the outcomes they experience.

For the last two years, we have worked together with 60 Decibels, Inc., an impact measurement company, to employ their mobile-based survey methodology known as Lean Data<sup>SM</sup> in our three active debt funds. At the close of June 2020, we had conducted ten assessments with social enterprise partners<sup>1</sup> across seven countries in Latin America and sub-Saharan Africa. This work helped us hear directly from over 3,000 clients and gain deeper insight into their experiences and the outcomes they have realized through engagement with our partners.

***“I have got capital for my business, my life is improved, bought land and completed my house and my children are in school.”***

—A client response collected via Lean Data<sup>SM</sup> survey

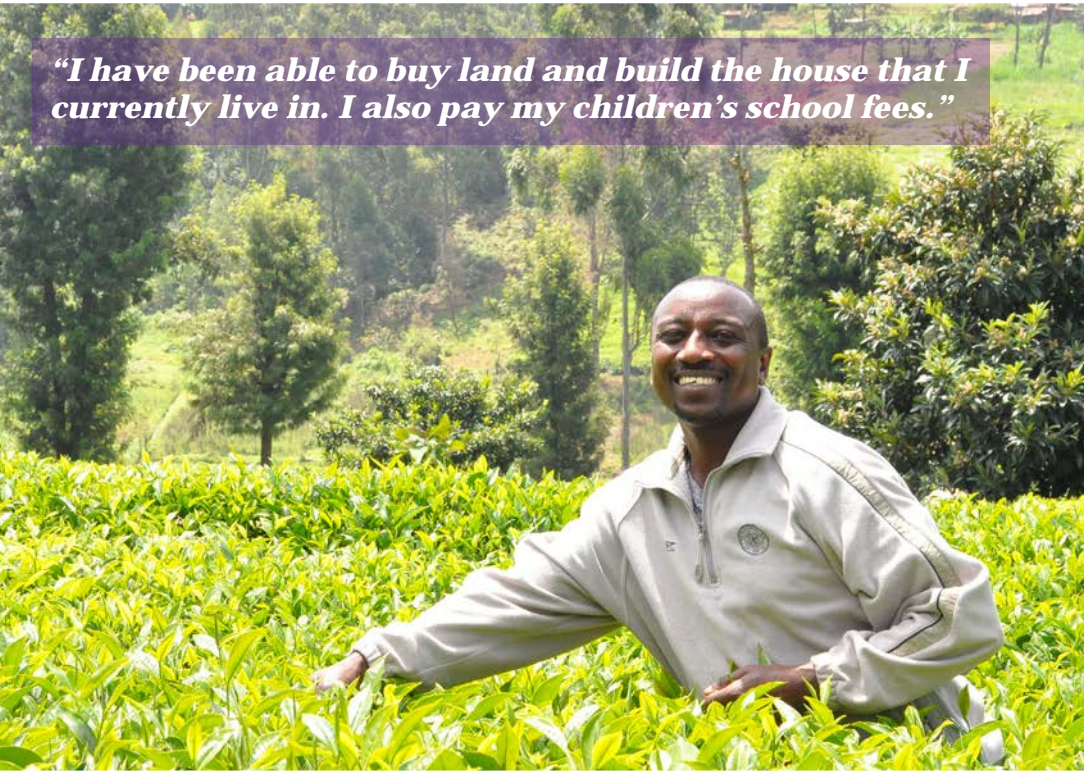
Client quotes are anonymized. Clients pictured alongside each quote are not necessarily the clients who stated the quote.

\* Results included in this feature are not statistically significant nor representative of the outcomes achieved by all investee partners. Results are intended to provide insight into whether investments can reach desired segments and support intended outcomes. Participating partners have or have had loans within GP's debt funds (Social Investment Fund 5.0, LLC [SIF 5.0]; Social Investment Fund 6.0, LLC [SIF 6.0]; and Impact-First Development Fund [IFDF]). All results are weighted by number of respondents and do not represent an average of enterprise averages.



# IMPROVING LIVES

*"I have been able to buy land and build the house that I currently live in. I also pay my children's school fees."*



*"I didn't go to school, but now I have enough capital that can support my family and relatives with school fees."*



*"For the moment we lack nothing, things we need, things to eat, we are able to buy something or spend money for our health without having to borrow..."*



*"I have expanded my business which has enabled me to open several channels for earning income."*





# IMPROVING LIVES

## THE POWER OF INVESTING IN WOMEN

With feedback from over 2,300 female clients from seven social enterprise partners in GP's Women-Centered Finance with Education (WCFE) initiative<sup>2</sup>, we have gained confidence that fund investments are helping to empower women and enhance the economic resilience of client households.

Not only did 96 percent of female respondents report improvements in their quality of life, they also indicated signs of increased **empowerment**, economic **resilience**, and investments in the health and **well-being** of their households.



### Women-Centered Finance with Education

Global Partnerships aims to empower women and enhance the economic resilience of households living in poverty by investing in social enterprises that deliver gender-informed financial and educational services.

### WHO IS SERVED

Average Profile of Female Survey Respondent

**38** years old

**9** years of schooling

**5.3** people living in her household

She is likely to report a lack of access to good alternative products and services



### EMPOWERMENT

Empowerment is foundational in bringing about positive change in women's lives. By providing access to financial services and education, GP's WCFE partners aim to put resources in the hands of women living in poverty and empower them to have a say in how those resources are used. Of female survey respondents:

**79%** reported an increase in their contribution to household decision-making

***"I am like a boss lady in my house now. I can provide for myself now that I am selling. I am now a business woman."***

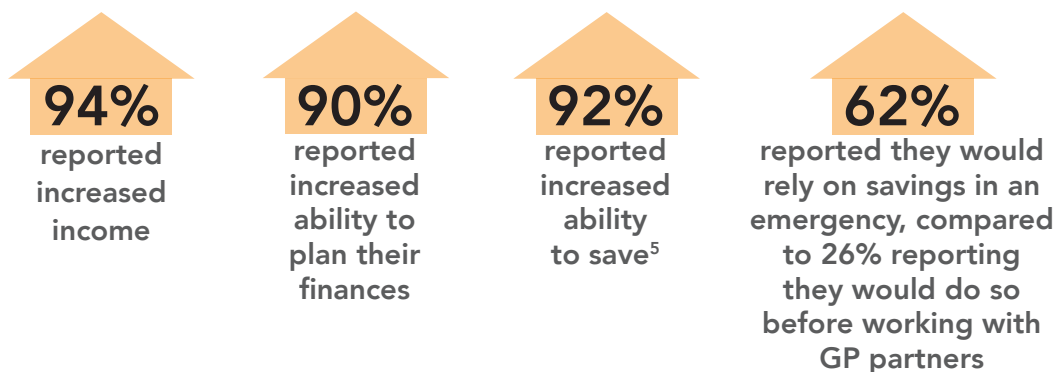
***"I have money as a woman. I am independent and have greatly developed."***



# IMPROVING LIVES

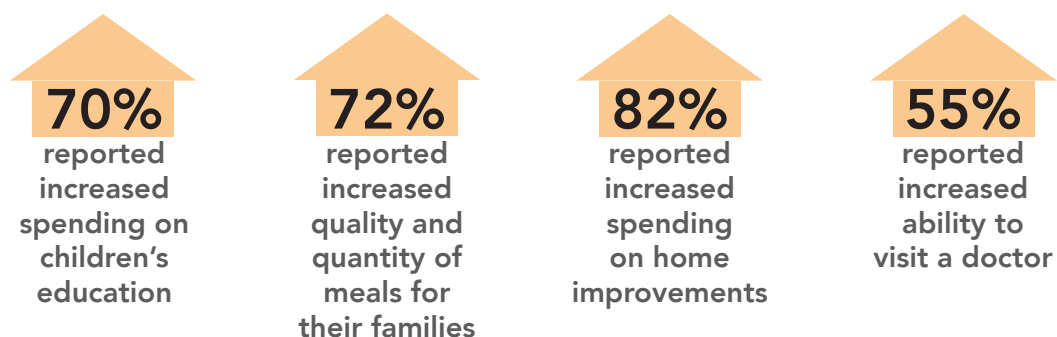
## ECONOMIC RESILIENCE

Progress out of poverty is not linear; households living below the poverty line often rise out of poverty only to fall back again. This volatility is made more acute by shocks such as a health emergency or unexpected loss of income.<sup>3</sup> Well-designed financial products, when coupled with financial education, can foster economic resilience by supporting increased income, consumption smoothing, and lower-stress coping mechanisms such as savings.<sup>4</sup> Of female survey respondents:



## HOUSEHOLD WELL-BEING

Research has demonstrated that greater control over household resources by women leads to increased investment in their families' well-being, including children's education and health, food security, and a better living space.<sup>6</sup> Of female survey respondents:



## COVID-19: CLIENT-CENTERED RESPONSE

Now more than ever, we are committed to keeping clients at the center of GP's impact-first investment approach. During the COVID-19 pandemic, Lean Data<sup>SM</sup> is helping us understand the concerns and coping strategies of households living in poverty. While we expect experiences to vary by geography and sector, results from an initial assessment with ECLOF Kenya<sup>7</sup> in June 2020 showed:

- 67% of respondents reported concern about COVID-19
- 85% of those concerned about COVID-19 reported their primary concern to be the economy or their ability to work and earn an income
- 94% of all respondents reported deterioration in their financial situation since the onset of the pandemic
- 47% reported changes in the number and/or quality of meals consumed by their household

Subsequent studies will continue monitoring these topics to help GP and its fund partners better serve people living in poverty during the pandemic and its aftermath.

***"I have just made sure we have one meal per day that is supper and that is because whatever little money I am earning, it all goes to buying food."***



# LIVELIHOODS

## WOMEN-CENTERED FINANCE WITH EDUCATION



An estimated 1.7 billion adults lack access to formal financial services, and women are disproportionately excluded, with women in developing economies remaining nine percentage points less likely than men to have a bank account.<sup>8</sup> GP funds aim to empower women and enhance the economic resilience of households living in poverty by investing in partners that deliver gender-informed financial and educational services.

### ACTIVE PORTFOLIO\*

**\$50.4MM**

Impact Investments

**31** Partners



### FISCAL YEAR 2020 RESULTS\*\*

**\$28.7MM**

New Impact Investments

**789,516**

Lives Impacted

\*As of June 30, 2020

\*\*From July 1, 2019 to June 30, 2020

## RURAL-CENTERED FINANCE WITH EDUCATION



An estimated 1.7 billion adults lack access to formal financial services, and rural and low-income households are disproportionately excluded,<sup>9</sup> with an estimated 17 percentage point gap in bank account ownership between rural and urban adults in sub-Saharan Africa, and an 8 percentage point gap in Latin America and the Caribbean.<sup>10</sup> GP funds aim to enhance the economic resilience of households living in rural poverty by investing in financial institutions that deliver financial and educational services tailored to meet their productive needs.

### ACTIVE PORTFOLIO\*

**\$30.8MM**

Impact Investments

**19** Partners



### FISCAL YEAR 2020 RESULTS\*\*

**\$16.0MM**

New Impact Investments

**182,527**

Lives Impacted

\*As of June 30, 2020

\*\*From July 1, 2019 to June 30, 2020



# LIVELIHOODS

## MICROENTREPRENEUR GROWTH FINANCE



40% of the 141 million formal microenterprises in developing countries (and many more informal enterprises) lack access to adequate financing and entrepreneur support services, constraining microentrepreneurs' ability to grow their businesses and create positive economic impact for their families and communities.<sup>11</sup> GP funds aim to improve the economic position of microentrepreneurs and their families by investing in partners who provide tailored microenterprise loans as well as specialized capacity building to help clients grow their businesses and increase their net incomes.

### ACTIVE PORTFOLIO\*

**\$3.5MM**

Impact Investments

**3** Partners



### FISCAL YEAR 2020 RESULTS\*\*

**\$4MM**

New Impact Investments

**10,504**

Lives Impacted

\*As of June 30, 2020

\*\*From July 1, 2019 to June 30, 2020

## PRODUCTIVE ASSET FINANCE



Many microentrepreneurs and small-scale producers cannot afford the up-front costs associated with productive asset purchases and do not meet the lending requirements of traditional banks, constraining their ability to grow their businesses. GP funds aim to increase the net incomes of households living in poverty by investing in social enterprises that provide microentrepreneurs with tailored loans for productive assets, along with support services to increase their likelihood of success, such as asset warranty, insurance, or training.

### ACTIVE PORTFOLIO\*

**\$800K**

Impact Investments

**2** Partners



### FISCAL YEAR 2020 RESULTS\*\*

**\$500K**

New Impact Investments

**17,853**

Lives Impacted

\*As of June 30, 2020

\*\*From July 1, 2019 to June 30, 2020



# CLIENT STORY

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Deo (left) with his family outside their home in Mwito, Rwanda. Photo credit: Rwanda Trading Company.

Deo Nyandwi has been growing coffee since 1996, when he took over his family's plot of 100 coffee trees. He cultivated his farming business over the years to support his family in the community of Mwito in western Rwanda. In 2018, Deo joined Rwanda Trading Company (RTC).

RTC is a partner in Global Partnerships' Smallholder Farmer Market Access initiative.\* RTC sources coffee cherries for export from smallholder farmers such as Deo, providing them with not only improved market access and price premiums, but also technical assistance that helps farmers obtain specialty certifications, increase their yields and improve the quality of the coffee.

With RTC's support, Deo was able to increase production and, in turn, earn more annual revenue to support his household. Over time, Deo earned enough to purchase more land. He has now expanded his farm to 1,500 coffee trees. With the additional income, Deo built a new house for his family and pays for medical insurance and school fees each year for his eight children.

When the COVID-19 pandemic threatened to hit Rwanda in March 2020, the country instituted a shutdown. Deo's children could no longer go to school. The shutdown also affected in-person training programs, such as RTC's technical assistance program. In response, RTC adapted its model to communicate with its farmer clients by phone to provide vital consulting in a time of crisis.

"RTC trained us on how to save money," Deo said. "Money we saved has helped us to buy necessary things during COVID-19."

Food processing was deemed an essential activity, so Deo and other farmers could continue their work and deliver coffee to RTC wet mills without interruption. To protect RTC employees and farmers such as Deo, RTC requires social distancing and installed hand washing stations at each collection site.

"I was able to deliver my coffee production to the RTC station," said Deo. "We implemented COVID-19 prevention measures on sites by wearing masks, washing our hands, and keeping safe distance between us."

Despite the challenges that 2020 has introduced, Deo remains steadfast and optimistic, saying that he plans to keep expanding his coffee farm. RTC's support, through the provision of tools and opportunity, reinforces Deo's resilience, even in the face of a global pandemic and economic shutdown.

\* As of June 30, 2020, RTC was a borrower of Global Partnerships Social Investment Fund 6.0, LLC.



# LIVELIHOODS

## SMALLHOLDER FARMER MARKET ACCESS



Globally, about 84% of farms are operated by smallholders with less than 2 hectares of land.<sup>12</sup> Smallholder farmers often have limited access to markets, fair prices and quality agronomic technical assistance. GP funds aim to improve the economic position of smallholder farmers and their families by investing in agricultural enterprises that provide enhanced market access and technical assistance.

### ACTIVE PORTFOLIO\*

**\$5.9MM**

Impact Investments

**14** Partners



### FISCAL YEAR 2020 RESULTS\*\*

**\$11.7MM**

New Impact Investments

**74,093**

Lives Impacted

\*As of June 30, 2020

\*\*From July 1, 2019 to June 30, 2020

## SMALLHOLDER FARMER INPUTS



Globally, about 84% of farms are operated by smallholders with less than 2 hectares of land.<sup>13</sup> Limited access to information and quality agricultural inputs like improved seeds hinders smallholders' production and income. GP funds aim to increase the incomes and food security of smallholder households by investing in organizations that deliver affordable, high-impact inputs, alongside technical assistance.

### ACTIVE PORTFOLIO\*

**\$1.7MM**

Impact Investments

**3** Partners



### FISCAL YEAR 2020 RESULTS\*\*

**\$1.5MM**

New Impact Investments

**441,757**

Lives Impacted

\*As of June 30, 2020

\*\*From July 1, 2019 to June 30, 2020

# LIVELIHOODS

## INFORMAL RETAILER INPUTS



The informal sector is a major source of livelihoods, particularly for microentrepreneurs: 85% of entrepreneurs in developing economies are in the informal sector, and many of them are low-income microentrepreneurs whose profitability is constrained by limited leverage in negotiations with suppliers.<sup>14</sup> GP funds aim to improve the net income and quality of life of informal retailers living in poverty by investing in partners that provide them with low-cost, quality inventory through efficient distribution channels.

### ACTIVE PORTFOLIO\*

**\$150K**

Impact Investments

**1** Partner



### FISCAL YEAR 2020 RESULTS\*\*

**\$150K**

New Impact Investments

**227**

Lives Impacted

*\*As of June 30, 2020*

*\*\*From July 1, 2019 to June 30, 2020*

## ARTISAN MARKET ACCESS



The artisan sector is a major source of employment in many developing countries, and in some regions artisans represent the second largest sector of rural employment behind agriculture.<sup>15</sup> Most artisans do not have access to international markets that would enable them to reach more customers at better prices. GP funds aim to improve the economic position of informal artisans and their families by investing in partners that provide access to markets as well as price premiums.

### ACTIVE PORTFOLIO\*

**\$1.3MM**

Impact Investments

**1** Partner



### FISCAL YEAR 2020 RESULTS\*\*

**\$2.5MM**

New Impact Investments

**22,706**

Lives Impacted

*\*As of June 30, 2020*

*\*\*From July 1, 2019 to June 30, 2020*



# SANITATION

## URBAN SANITATION



Worldwide, an estimated 2 billion people lack access to basic sanitation facilities such as toilets or latrines.<sup>16</sup> Lack of sanitation contributes to about 10% of the global burden of disease, mainly via diarrheal diseases.<sup>17</sup> GP funds aim to improve the health and economic position of low-income urban and peri-urban households by investing in social enterprises that provide access to low-cost, hygienic toilets and waste management services.

### ACTIVE PORTFOLIO\*

**\$445,000**

Impact Investments

**1** Partner



### FISCAL YEAR 2020 RESULTS\*\*

**\$0**

New Impact Investments

**96,883**

Lives Impacted

\*As of June 30, 2020

\*\*From July 1, 2019 to June 30, 2020

# HOUSING

## HOME IMPROVEMENT FINANCE



Approximately 1.6 billion people around the world do not have access to adequate shelter, and one in four live in conditions that are harmful to their health, safety and prosperity.<sup>18</sup> GP funds aim to enhance the health, safety and dignity of households living in poverty by investing in social enterprises that provide loans and support services for incremental home improvement projects.

### ACTIVE PORTFOLIO\*

**\$7.7MM**

Impact Investments

**6** Partners



### FISCAL YEAR 2020 RESULTS\*\*

**\$5.6MM**

New Impact Investments

**164,625**

Lives Impacted

\*As of June 30, 2020

\*\*From July 1, 2019 to June 30, 2020

# EDUCATION

## ADULT LIVELIHOOD LEARNING



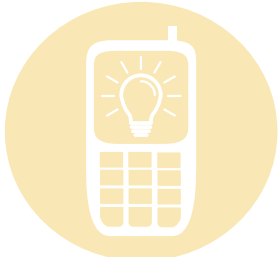
Individuals living in poverty, particularly in rural areas, often have limited access to information that can help them build knowledge and improve their agricultural and financial planning practices. GP funds aim to improve the economic position of households living in poverty by investing in partners that provide affordable, mobile-based education on best practices in financial planning and/or agriculture.

### ACTIVE PORTFOLIO\*

**\$150K**

Impact Investments

**1** Partner



### FISCAL YEAR 2020 RESULTS\*\*

**\$0**

New Impact Investments

**142,586**

Lives Impacted

*\*As of June 30, 2020*

*\*\*From July 1, 2019 to June 30, 2020*

## DIGITAL STUDY MATERIALS



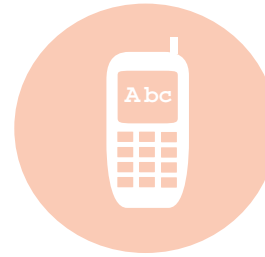
In sub-Saharan Africa, only 62% of children complete primary school.<sup>19</sup> Among those who do attend school, 65% will not achieve even basic proficiency in reading.<sup>20</sup> With high student-to-teacher ratios and lack of quality study materials, children often lack the resources they need to advance their education. GP funds aim to improve student skills, test scores, and likelihood of continuing education by investing in social enterprises that offer interactive, mobile education platforms.

### ACTIVE PORTFOLIO\*

**\$125,000**

Impact Investments

**1** Partner



### FISCAL YEAR 2020 RESULTS\*\*

**\$0**

New Impact Investments

**226,163**

Lives Impacted

*\*As of June 30, 2020*

*\*\*From July 1, 2019 to June 30, 2020*



# ENERGY

## SOLAR LIGHTS



Roughly 860 million people worldwide (14% of the global population) have no access to electricity, and approximately 70% of those affected live in sub-Saharan Africa.<sup>21</sup> GP funds aim to improve the economic position and quality of life of off-grid households by investing in social enterprises that provide access to affordable solar lights and small solar home systems.

### ACTIVE PORTFOLIO\*

**\$8.1MM**

Impact Investments

**5** Partners



### FISCAL YEAR 2020 RESULTS\*\*

**\$1.9MM**

New Impact Investments

**2,409,129**

Lives Impacted

*\*As of June 30, 2020*

*\*\*From July 1, 2019 to June 30, 2020*

## COOKSTOVES



Over 2.6 billion people cook using open fires or simple stoves fueled by kerosene, biomass, or coal, and each year, approximately 2.5 million people die from household air pollution.<sup>22</sup> Collecting and using traditional fuels also consumes considerable time and expense for households in poverty, particularly for women. GP funds aim to improve household health and economic position, with outsized impact for women, by investing in partners offering more affordable, fuel-efficient cookstoves.

### ACTIVE PORTFOLIO\*

**\$495K**

Impact Investments

**2** Partners



### FISCAL YEAR 2020 RESULTS\*\*

**\$0**

New Impact Investments

**59,865**

Lives Impacted

*\*As of June 30, 2020*

*\*\*From July 1, 2019 to June 30, 2020*

# HEALTH

## HEALTH CLINICS



At least half of the world's population lack access to essential health services.<sup>23</sup> In turn, families often go untreated or rely on poor-quality care from unqualified providers, resulting in distrust, increased costs, complications and, all too often, death. GP funds aim to improve the health and economic position of households living in poverty by investing in primary and specialty care clinics that provide high-quality, low-cost services.

### ACTIVE PORTFOLIO\*

**\$2.7MM**

Impact Investments

**3** Partners



### FISCAL YEAR 2020 RESULTS\*\*

**\$1.8MM**

New Impact Investments

**138,239**

Lives Impacted

\*As of June 30, 2020

\*\*From July 1, 2019 to June 30, 2020

## WOMEN-CENTERED FINANCE WITH HEALTH



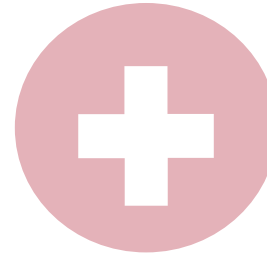
An estimated 1.7 billion adults lack access to formal financial services, and women are disproportionately excluded.<sup>24</sup> In addition, at least half of the world's population lacks access to essential health services, and low-income women are more likely to lack access to basic healthcare.<sup>25</sup> GP funds aim to empower women and enhance the economic resilience and health of households living in poverty by investing in partners that deliver gender-informed financial and educational services, alongside access to basic health services.

### ACTIVE PORTFOLIO\*

**\$10.8MM**

Impact Investments

**12** Partners



### FISCAL YEAR 2020 RESULTS\*\*

**\$4.2MM**

New Impact Investments

**105,437**

Lives Impacted

\*As of June 30, 2020

\*\*From July 1, 2019 to June 30, 2020



# CLIENT STORY

Life changed drastically when COVID-19 struck Guatemala in March 2020, with curfews imposed, public transportation shut down, and markets closed or operating with greatly reduced hours. Microentrepreneurs like Blanca Margarita Méndez Pac saw a sharp drop-off in sales and a rise in household challenges, compounded by the effects of poverty and gender inequity.

Blanca is an indigenous Mayan woman who lives on the outskirts of Quetzaltenango, Guatemala. Over the past 10 years, Blanca has been a client of Friendship Bridge, a partner in Global Partnership's Women-Centered Finance with Education and Health initiatives.\* She has spent the last decade building her textile business with the support of affordable loans, education, and health services from Friendship Bridge.

"It is really practical and easy to work with Friendship Bridge because the organization does not have so many requirements like other credit organizations," Blanca said. "Some of the advantages are accessibility and low interest rates. Because of this, I have been able to earn more income and provide better living conditions for my family, including the education of my children and the health needs of all of us."

Blanca's business, which she named "Costuras y Artesanías Manos de Mujer" (Sewing and Crafts Women's Hands), is now in Friendship Bridge's Advanced Artisan program. The program provides in-depth training and access to local, national, and international markets. Training topics range from quality control and diversification of products to marketing and exportation.

The health and economic crises caused by the COVID-19 pandemic have increased the family's financial reliance

on Blanca's business. Her husband has diabetes, making him more susceptible to the virus, so it is difficult for him to leave the house. Blanca also covers the educational expenses of two of her children who are in the 8th and 9th grades.

During the pandemic, Blanca has demonstrated the resilience of her business, working from home and pivoting to sew masks with filters. She sells her masks by the dozen and over time, her customers have requested other textiles such as sheets and tablecloths.

"One learns by trial and error and obviously my first samples needed adjustments," Blanca said. "Because of the advice that I have been given, I now successfully sew four different designs."

GP's funds aim to walk alongside people like Blanca, who are battling poverty amidst a pandemic. We provide social enterprise partners such as Friendship Bridge with affordable capital they need as they weather this crisis, helping them to stay focused on delivering impactful goods and services. And like Blanca, Friendship Bridge has adapted to the challenges of these unprecedented times. They now provide communication and training opportunities via mobile phone for their clients.

"We can telecommute and get quality advice that helps us to move forward," Blanca says.

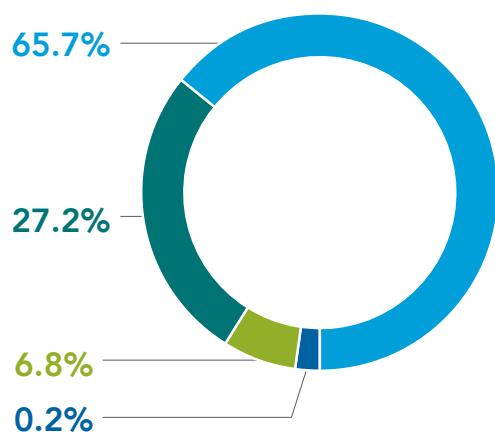
Blanca continues as an active participant in Friendship Bridge's Advanced Artisan Program and now has 12 unique products marketed in her own name.



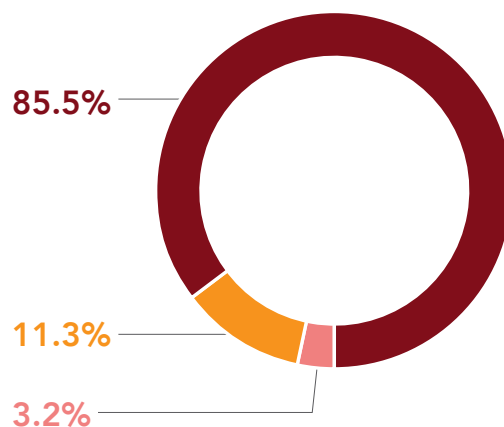
\* As of June 30, 2020, Friendship Bridge was a borrower of Global Partnerships Social Investment Fund 5.0, LLC.

# FINANCIAL PERFORMANCE

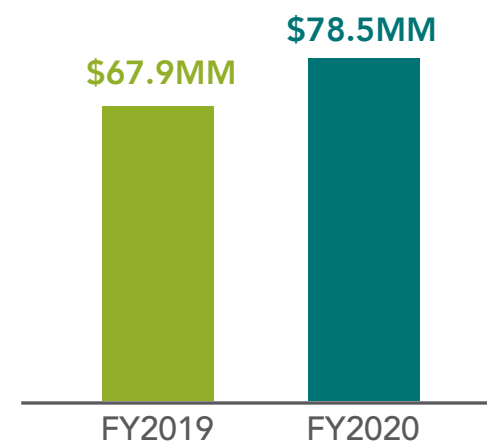
## Revenues\*



## Expenses\*



## Impact-First Investments\*\*\*



	FY2019	FY2020
Impact investment interest income**	\$7,129,000	\$7,864,000
Contributions	\$5,269,000	\$3,261,000
Other income	\$709,000	\$816,000
Gifts in kind	\$261,000	\$26,000
<b>Total revenues</b>	<b>\$13,368,000</b>	<b>\$11,967,000</b>

	FY2019	FY2020
Program services	\$9,475,000	\$9,888,000
Fundraising	\$611,000	\$370,000
Management and general	\$414,000	\$524,000
<b>Total operating expenses</b>	<b>\$10,500,000</b>	<b>\$10,782,000</b>

In Fiscal Year 2020, GP's funds deployed \$78.5MM in impact-first investment capital, including new investments and renewals.

To view our complete audited financials, please visit [globalpartnerships.org](https://globalpartnerships.org)

\* Revenues and Expenses sections: Figures are rounded to the nearest \$1,000. This is not an offer to sell or a solicitation of any offer to buy any securities. Figures reflect GP financials consolidated with each of its wholly-owned subsidiaries, including each of its affiliated funds.

\*\* Past performance is not a guarantee of future results.

\*\*\* Impact-First Investments section: Figures are unaudited. Figures are rounded to the nearest \$100,000.



# BOARD OF DIRECTORS

As of June 30, 2020

Bert Green  
Bill Clapp  
Bill Richter  
Carla Lewis  
Curtis B. Fraser  
Ed Lazar  
Enrique Godreau III  
Gregg Johnson, *Secretary*  
H. Stewart Parker  
Jane Stonecipher  
Kurt DelBene, *Treasurer*  
Maggie Walker, *Co-Chair*  
Matt McBrady

Mike Galgon,  
*President & Co-Chair*  
Paula Clapp  
Peter Bladin  
Robert Van Cleve  
Rosario Perez  
Tim Porter  
Tessa Keating  
  
JOINED THE BOARD  
ON JULY 1, 2020:  
Alex Silva  
Laurie Spengler

# EXECUTIVE TEAM

Rick Beckett  
*Chief Executive Officer*  
  
Mark Coffey  
*President & Chief Investment Officer*  
  
Megan Muir  
*General Counsel & Chief Operating Officer*  
  
Tara Murphy Forde  
*Managing Director, Capital & Impact*  
  
Jim Villanueva  
*Managing Director, Social Venture Fund*





## END NOTES

- 1 As of 6/30/20, four of those partners had loans in SIF 5.0, nine in SIF 6.0, and two in IFDF (some partners have loans in more than one Fund).
- 2 As of 6/30/20, three of those partners had loans in SIF 5.0, six in SIF 6.0, and one in IFDF (some partners have loans in more than one Fund).
- 3 Source: BBVA Microfinance Foundation 2019 <http://www.fundacionmicrofinanzasbbva.org/informes/2019/en/FMBBVA.pdf>
- 4 Source: Innovations for Poverty Action 2019 <https://www.poverty-action.org/sites/default/files/publications/Building-Resilience-through-Financial-Inclusion-English.pdf>
- 5 This question was only asked in 3 out of the 7 WCFE surveys and was answered by 955 clients.
- 6 Source: World Bank 2012 [https://openknowledge.worldbank.org/bitstream/handle/10986/4391/9780821388105\\_overview.pdf?sequence=6&isAllowed=y](https://openknowledge.worldbank.org/bitstream/handle/10986/4391/9780821388105_overview.pdf?sequence=6&isAllowed=y)
- 7 ECLOF Kenya is a social enterprise partner with loans from SIF 6.0 and the IFDF as of 6/30/20. 400 ECLOF Kenya clients were surveyed as part of this Lean Data assessment.
- 8 The World Bank, The Global Findex Database 2017, <https://globalfindex.worldbank.org/>
- 9 The World Bank, The Global Findex Database 2017, <https://globalfindex.worldbank.org/>
- 10 CGAP analysis of 2011 World Bank Global Findex <https://www.cgap.org/blog/two-persistent-divides-financial-inclusion-gender-and-rural>
- 11 SME Finance Forum, MSME Finance Gap 2017, <https://www.sme-financeforum.org/sites/default/files/Data%20Sites%20downloads/MSME%20Report.pdf>
- 12 Sarah K. Lowder, Jakob Skoet, and Terri Raney, "The Number, Size, and Distribution of Farms, Smallholder Farms, and Family Farms Worldwide," *World Development*, Volume 87, 2016, <https://www.sciencedirect.com/science/article/pii/S0305750X15002703>
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- 20 UNESCO, More Than One-Half of Children and Adolescents Are Not Learning Worldwide, 2017, <http://uis.unesco.org/sites/default/files/documents/fs46-more-than-half-children-not-learning-en-2017.pdf>
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#### LATIN AMERICA OFFICE

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Carrera 11B # 99 – 25  
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Global Partnerships  
Ikigai Lavington  
90 JGO 2nd Floor,  
James Gichuru Road  
Nairobi, Kenya

#### HEADQUARTERS

Global Partnerships  
1932 First Avenue, Suite 400  
Seattle, WA 98101  
206-652-8773

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