

Anh Chi Em ace. anh chi em

Supporting poor families from ethnic minorities in the mountains of North Vietnam

ACE is looking for new funding partners in order to intensify its action and extend it to a new province

COUNTRY FACTS

- 92.5 million inhabitants
- 116/187 in the HDI*
- 69% rural households
- 55% of Dien Bien's population lives below the poverty line

*Human Development Index

KEY FIGURES 2016

- 3 branches
- 5,271 beneficiaries
- 85% women
- 3 to 5 training sessions per loan

MISSION

A poor and isolated province

Dien Bien is Vietnam's poorest province: more than half of the families, predominantly from ethnic minorities, live below the poverty line. Entrepreneurs du Monde launched Anh Chi Em in 2007 to facilitate access to financial services tailored to their small agricultural or retail business. The programme focuses on support services, an essential part of the success of these micro-entrepreneurs.

A programme heading towards self-sufficiency

Since the end of 2015, Anh Chi Em program is operationally self-sufficient (revenue covers expenses). ACE is becoming sustainable to support Vietnamese people living in poverty.



2016 HIGHLIGHTS

Operations and financial services

With an operational self-sufficiency of 122.5% and a new governance system, the program continues to strengthen its financial and institutional capacity. Anh Chi Em is heading towards self-sufficiency both operationally and financially. The loyalty rate is 85.7% and has continued to progress positively during 2016. This loyalty rate is a good indicator of ACE's quality of services and the level of satisfaction from its beneficiaries. To better cater to farmers' needs, ACE has developed the possibility to get a loan tailored to the harvest cycles (3 to 12 months).

Non-financial services



In 2016, the team developed an innovative approach to agricultural training, by creating two farmers interest groups for duck- and pig-farming. In these groups, farmers benefited from practical training (vaccination, livestock feeding, hygiene, etc.) to improve their breeding techniques and their profits. This pilot project already allowed its beneficiaries to grow their revenues. ACE will therefore extend this project in 2017. Furthermore, the team also developed, together with Entrepreneurs du Monde, six new financial training modules focusing on the importance of savings, the proper use of credit as well as beneficiaries' rights.

We never gave up and we created 9 jobs!



My husband and I only had a field, a few chickens, two pigs, a buffalo and some cows. We were working hard but we suffered heavy losses due to disease. One day I heard about ACE and everything changed for us! I received financial and moral support from the team. I also attended training sessions to avoid disease, and improve my production and management skills. My farm became profitable! Later I bought a tricycle to go to town to sell our harvested corn as well as our neighbours'. The following year I invested the return in rental party goods (chairs, kitchenware, etc.)

I created 9 jobs, including 4 full time. We live better, all our children go to school. I'm very proud of them... and of ourselves as we never gave up!



FOCUS

SOCIAL PERFORMANCE

Anh Chi Em has launched a social performance strategy to better measure its impact on the populations it supports.



Poverty assessment

With Entrepreneurs du Monde's help, the team has included in the loan application form a new questionnaire which allows systematic measurement of the level of poverty of the families during the ACE program. The team was also trained on the software for data entry and analysis of the responses.

First results

The first results highlight that in 2016, 40% of ACE beneficiaries were living in extreme poverty. This result is in line with the ACE mission and context: ethnic minorities represent 50% of Vietnam's poorest population even though they only represent 14% of the population. Furthermore, women from these ethnic minorities are much more impacted by poverty than men. 92% of beneficiaries are from ethnic minorities (mostly from the Black Thai ethnic group) and amongst them 85% are women.



Most beneficiaries get their income from agriculture and only 35% of households have at least one family member who gets an income from a non-agricultural activity. In addition, access to essential services such as education is limited: only 20% of children aged 11 to 15 are schooled.

To this end, ACE's actions aim to progressively and sustainably lift all the microentrepreneurs who join the program from this extreme precarity.



INDICATORS

	No. of beneficiaries ¹	No. of loans granted ¹	Average loan	Current loan capital ²	Accumulated savings ²	Operational viability ²	No. of employees
2015	5,160	5,991	223 €	1,092,222 €	93,370 €	102 %	35
2016	5,271	6,275	236 €	1,225,663 €	122,411 €	122.5 %	36
2017 ³	5,400	6,150	228 €	1,156,592 €	114,238 €	120 %	42

¹Over one year - ²On dec. 31st - ³Objectives

OBJECTIVES

Advocate for a viable social microfinance



In Vietnam, the microfinance sector is dominated by the State banks that offer subsidised loans with extremely low interest rates, but with no support system for the borrowers. These services are not always suitable for the most vulnerable. ACE, on the other hand, promotes a responsible and sustainable social microfinance model. It tries to convince all stakeholders that such a service should be preserved and therefore the very low interest rates set by the State banks should not be

imposed on programs such as ACE. This would ultimately put at risk the viability of these programs and would compromise their social mission.

Geographical extension of ACE

In 2017, ACE will evaluate the possibility of developing its activities in a new province. The team will choose the province based on its level of poverty. With this expansion, ACE will benefit a wider number of beneficiaries living in precarious conditions.



FUNDING NEEDS



ACE is supported by the Agence Française de Développement, Pro Victimis, Open Asia, Hanoi International Women's Club (HIWC), another fund which wishes to remain anonymous, and individuals. Its loan capital is financed by the association Don Boule de Neige, Mikrokredit

voor Moeders, KIVA and Microfinance Solidaire.

To ensure its successful extension and, as such, to respond to the needs of the families, ACE must urgently complement its support with new financing sources.

PARTNERS



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