

# Q4 2017

## QUARTER HIGHLIGHTS

- Nuru's holiday fundraising campaign raised more than \$350,000 to support efforts across the organization
- All Nuru Kenya programming now being delivered through cooperatives
- 300 women participate in livelihood diversification pilot in Nuru Ethiopia
- NSE puts dairy business at center stage by joining forces with farmer organizations and divesting from poultry

**ENDING EXTREME POVERTY  
IN REMOTE RURAL AREAS**



## NURU COUNTRY DIRECTOR RECEIVES ACUMEN FELLOWSHIP by Billy Williams



**Isebania, Kenya.** Pauline Wambeti, Nuru Kenya's Country Director has been eagerly awaiting the announcement of some big news on the leadership development front. She is one of less than a dozen East African women leaders to be selected to be Acumen East Africa Fellows for 2018-2019. She was selected from a shortlisted group of approximately 200 applicants and will begin her first workshop with Acumen in late February 2018.

Pauline has been working in the realm of community development for more than a decade and has been working for Nuru Kenya since 2013. In 2015, as expatriate staff exited Kenya, Pauline and her team began preparations for scaling to new communities, and they have brought continued innovation and adaptive learning to serving rural communities living in extreme poverty.

When asked about the selection process with Acumen, she said it was "quite intensive." Applications were from leaders in South Sudan, Ethiopia, Kenya, Uganda, Burundi, and Rwanda. After applying online, candidates conducted phone interviews; shortlisted candidates were invited for a day-long in person interview...

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**Nuru farmer organizations establish strong market linkages and secure multiple buyers for surplus grains.**

## QUARTER HIGHLIGHTS

As you may have been noticing in the news, over the last few months the entirety of Kenya has been working to return to normalcy after elections took place in August. In spite of this ongoing challenge, Nuru Kenya and its farmer organizations (cooperatives) have steadily been moving forward.

In fact, this fall, after successfully mitigating against the threat of fall armyworm, Nuru farmers had very high maize yields, and secured multiple buyers (including the global agribusiness enterprise Cargill) for surplus maize because of the high quality maize being produced. These strong market linkages will contribute to the long-term sustainability of farmer organizations in Migori County, and have already led to increased profits for members.

Additionally, as of Q4 2017, Nuru farmer cooperatives are now the vehicle through which all of Nuru's programs, including healthcare and education, are being delivered to farmer members and their families. Nuru believes this shift, along with trainings conducted with cooperative business leadership, will lead to even greater sustainability of its impact in Migori County.

### AGRICULTURE

Select indicators are updated annually or semiannually rather than quarterly

### FI

### HEALTHCARE

### EDUCATION

		Kenya		
		Target	Actual	
AGRICULTURE	Number of Nuru farmers taking loan this season	Q1	3,200	1,816
	Total number of acres farmed	Q1	4,200	2,053
	Average loan per farmer (USD)	Q1	\$113	\$97
	Repayment rate	Q4	97%	93%
	Percent increase in crop yield compared to baseline	Q1	32%	41%
FI	Total enrolled FI members	Q3	1,816	975
	Repayment rate	-	98%	-
	Total savings deposits (USD)	-	\$8,717	\$1,117
HEALTHCARE	Average total savings deposits per member per quarter (USD)	-	\$6.00	\$1.15
	Total Nuru farmer families receiving Nuru healthcare services	Q2	1,600	1,659
	Percent of Health Groups meeting monthly	-	90%	52%
	Percent of deliveries in a clinic per quarter	-	85%	100%
	Percent of households treating water	-	85%	79%
EDUCATION	Number of children (Pre-Unit to Class 5) at targeted schools	Q2	5,992	5,992
	Number of teachers trained in best practices teaching literacy	Q2	96	96
	Number of school libraries established	Q2	24	24
	Number of book banks established at Nuru cooperatives	Q2	14	12
	Percent of children participating in reading camps	Q2	50%	23%

*As mentioned last quarter, Nuru Kenya is bringing the delivery of all of its programs into cooperatives in Kuria West and Kuria East. More metrics regarding Financial Inclusion, Healthcare, and Education interventions on these farmer households will be available in the coming year. The results of this adjustment will mean more tightly integrated programs moving forward in Kenya and better service for our farmers.*



**Nuru Ethiopia is tracking toward exit of Western staff during summer 2018.**

## QUARTER HIGHLIGHTS

Nuru has had a mix of challenges and successes during the last quarter, but is still tracking toward exiting expatriate staff during summer 2018. One of the biggest areas of success has been centered around livelihood diversification for cooperative member households in the form of goat and sheep fattening. Three hundred women participated in this pilot in 2017, and Nuru Ethiopia has plans to expand this program to 900 households during 2018.

Retention and turnover among high level staff in Ethiopia continues to be a challenge, but by working to create a more competitive compensation structure and moving Nuru Ethiopia's headquarters to Arba Minch (the largest city and the administrative capital of the Gamo Gofa Zone), Nuru believes that retention will improve. The zonal government office is also nearby and should improve coordination with the Government of Ethiopia. On a positive note with regard to staffing, we are excited to witness Nuru Ethiopia's Education Program Manager, Feven Yimer, get promoted to Impact Program Manager. Feven has been serving with Nuru since the very beginnings of the Education Program, and will be playing an even stronger role in Nuru Ethiopia as expatriate staff prepare for exit.

## Ethiopia

Select indicators are updated annually rather than quarterly

### AGRICULTURE

		Target	Actual
Number of Nuru farmers taking loan this season	Q2	4,000	3,435
Total number of acres farmed	Q2	5,000	3,872
Average loan per farmer (USD)	Q2	-	\$66
Repayment rate	Q1	97%	71%
Percent increase in crop yield compared to baseline	Q2	32%	-2%

### FI

Total enrolled FI members	Q3	2,000	1,440
Number of loans issued this year (cumulative per year)	-	1,700/year	340
Average loan size per client this quarter (USD) <sup>2</sup>	-	\$76	\$102
Repayment rate	-	95%	N/A
Total savings deposits (USD) for the year (cumulative per year)	-	\$22,857	\$4,479
Average total savings deposits per member per quarter (USD)	-	\$2.86	\$2.05

### HEALTHCARE

Total Nuru women participating in cooperative care groups	Q2	1,600	1,877
Percent of women who are on track to attend at least 4 antenatal care visits per quarter	-	70%	93%
Percent of deliveries in a clinic per quarter	-	60%	82%
Number of trainings given to community health workers	-	5	3

### EDUCATION

Number of children in grades 1-4 reached	Q1	5,967	5,967
Number of teachers trained in "teaching literacy" best practices	Q1	172	142
Number of school libraries established	Q1	10	11
Number of latrines constructed at targeted schools	Q2	10	9
Number of book banks established at Nuru cooperatives	Q1	5	5
Percent of cooperative children participating in reading camps	Q2	55%	72%



## QUARTER HIGHLIGHTS

Nuru culminated its fundraising efforts with its holiday campaign that brought in more than \$350,000 in funding including matches from two donors. In addition, Nuru was able to secure a new grant from the Sanders Family Charitable Foundation which included a \$50,000 grant and an additional \$25,000 matching opportunity to start off 2018.

In addition, Nuru has been making serious progress in Washington, D.C. Our goal is to really change the conversation about national security when it comes to violent extremism - to make proactive development a critical component of a more holistic strategy to defeat violent extremism. We have been working with The Sheridan Group and a coalition of NGOs including ONE, Mercy Corps, World Vision, and Search For Common Ground to draft a stand-alone bill to help us to achieve this goal. The bill will ensure tighter collaboration among DOD, State Department, USAID, and the NGO community to help bring greater stability and security to vulnerable regions that are being threatened or oppressed by violent extremist organizations.

### NURU NIGERIA

*Team members have been involved in preliminary training, and spent a brief period in the field in northeastern Nigeria to recruit and hire the local staff leadership team. Nuru anticipates beginning its Program Planning Process with local staff in early spring 2018.*

### NURU ENDORSES GENDER STANDARDS

*Led by Nuru Social and Behavior Change Strategic Advisor, Athena Childs-Fleisher, Nuru is proud to be among the first organizations to embrace the gender standards, and to make gender mainstreaming a focus for all of its in-country programming. Nuru joins CARE, Save the Children, World Vision, Oxfam, and Mercy Corps in endorsing the minimum standards for mainstreaming gender equality in their programmatic efforts.*

*Read more about the standards* 

### THOUGHT LEADERSHIP

*Team members Matt Lineal and Julie Carandang presented on two separate panels as part of the American Evaluation Association annual conference in November. Matt and Julie in panels together with Locus Coalition and UT-Austin Ray Marshall Center presented to leaders in the evaluation sector on Nuru's use of M&E data to measure impact in our integrated development model.*

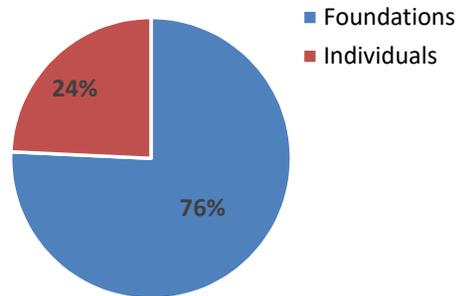
## EXECUTIVE SUMMARY

In 2017, Nuru ended the year significantly under budget due to a delayed launch of the Nigeria project, as well as savings realized through careful cash management. Nuru has set a budget of \$5.8M for 2018 and continues to build a strong pipeline of new and existing donors for 2018 and beyond.

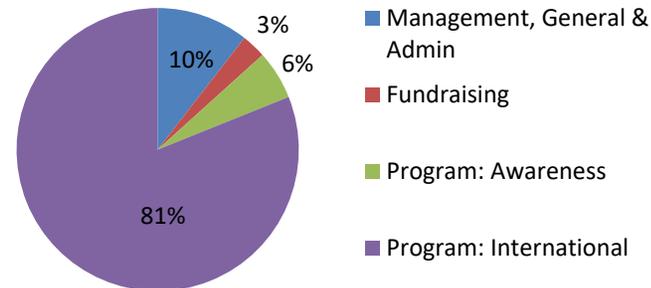
Revenue	
Foundations	5,812,858
Individuals	1,862,379
	<b>7,675,238</b>

Expenses	Q4 Actual	Q4 Budget	Q4 Variance	% Variance
MG&A	611,619	798,065	(186,446)	-23%
Fundraising	162,499	361,151	(198,652)	-55%
Program	5,028,216	6,128,743	(1,100,527)	-18%
	<b>5,802,334</b>	<b>7,287,959</b>	<b>(1,485,626)</b>	<b>-20%</b>

2017 Revenue



2017 Expenses



## QUARTER HIGHLIGHTS

During Q4 2017, after a detailed financial analysis was conducted, Nuru made the decision to divest from NSE's poultry business and pivot from the SE model of providing long-term financial sustainability for in-country NGOs. This decision came as Nuru developed a revised three year strategic plan and realized that NSE would not be a good fit for its strategic direction, it would not be able to fund Nuru Kenya in the near future, and that Nuru needs to focus its staff and finances even more in the years ahead.

Nuru is currently in conversations with a few buyers who are interested in the poultry business, and plans to invest the capital generated by the sale into the establishment of an operating reserve for Nuru International.

In addition, although the poultry business will be sold, the lower cost dairy business will remain, and will be moved to co-locate near Nuru farmers in Migori County, Kenya. This will provide a market linkage for Nuru farmers piloting dairy as a livelihood diversification approach in 2018.

Of course, this decision was not made lightly, and Nuru has attempted a variety of pathways toward pursuit of local financial sustainability. There are very few nonprofits who have been successful in deploying a for-profit funding model, and those who have been successful have had a much higher degree of synergy between their non-profit and for-profit models.

This has been the latest in a longer history of lessons learned as Nuru has explored possibilities in this arena. Along the way, Nuru has made discoveries that have served farmers including most recently the opening of a possible market linkage for farmers who will be using dairy as a means to diversify their livelihoods and improve the viability of their local farmer organizations.



## DAIRY

- Nuru yogurt production has stabilized during Q4 averaging approximately 7,000 liters per month.



## POULTRY

- Egg production being maintained at approximately 550,000 eggs per month throughout Q4.

