



MISSION INVEST

Blending Faith and Finance

IMPACT REPORT

July 2020



Vatican, June 2018

"I invite all of the institutions of the world, the Church, each of us, as one single human family, to stop thinking that our daily actions do not have an impact on the lives of those who suffer."

– Pope Francis
December 2013

Dear Friends,

I am pleased to share the first Impact Report of Missio Invest.

Inspired by Pope Francis's call to address food insecurity, Missio Invest began in 2014 as an initiative to bring together two modern approaches to tackling poverty and exclusion. First, Missio Invest relies on the ability of local people to be protagonists in their own development. Second, Missio Invest marshals the necessary financial resources from those able to shoulder the risks inherent in highly developmental investments in sub-Saharan Africa.

Leveraging the Church's presence in Africa of 74,000 Sisters and 46,000 priests that oversee a vast pastoral network of schools, clinics and social outreach, Missio Invest has seen significant growth over the past six years, as local leaders have responded to the new lending opportunity known as social impact investing. This vision is built on the Church's proven ability to find hyper-local solutions to problems of poverty, climate change and exclusion.

The Church is in an ideal position to engage in impact investing. Missio Invest sources and aggregates its loans from among an integrated and homogeneous organizational structure across the Church. This approach minimizes costs and risks by maximizing synergies and expertise. In organizational terms, the Church can be considered as vertically integrated. In spiritual terms, and more significantly, the Church is a living body, endowed with God's Spirit that, as St. Paul tells us, does not deceive.

Central to this vision is the principle of participation. From investor to borrower, client to customer, the success of Missio Invest relies on the active participation and the ensuing wellbeing of all. Investors share in the hopes of the borrowers as well as their successes and failures. Risks and rewards involve everyone. By blending fortunes in this way, Missio Invest is more than a financial arrangement. Rather, it crafts a common future where mutuality and interdependence characterize relationships that are both affective and effective.

With four million dollars invested in 36 Church-run agribusinesses across six countries (Nigeria, Kenya, Uganda, Zambia, Malawi, Tanzania) Missio Invest is

"Investments of this sort are meant to have positive social repercussions on local communities, such as the creation of jobs, access to energy, training and increased agricultural productivity."

- Pope Francis
June 2014

about to make its first loans in Ghana, with an eye to further expansion. Starting with loans for sustainable agriculture, Missio Invest is expanding its loan products by building up the lending ability of the Church's financial institutions, who in turn lend to small and growing businesses in their communities.

Missio Invest is part of the Church's legacy of finding innovative ways to tackle stubborn problems such as hunger and poverty. Sisters in Africa who are investees in Missio Invest display the same zeal as those Sisters who, in 1889 in Rochester, Minnesota in the wake of the great tornado, convinced Dr. William Mayo to start a hospital for the local community. The entrepreneurial spirit that inspired the foundation of the Mayo Clinic is alive and well among Sisters, priests and their collaborators across Africa today. Missio Invest aims to embody that Spirit by finding practical solutions for today's challenges.

In joyful hope, we look forward to sharing the journey with you.

Father Andrew Small, OMI
President and CEO, Missio Invest
with Sister Bridget Agum, SSL
Louis Bautain Farm, Ewulu, Nigeria



A Legacy of Impact

At its heart, the Church exists to heal the world. It does this in many ways. From early on, the Church ordered that hospitals be built in every town next to every cathedral to care for those in need. Today, in Africa alone, 74,000 Sisters and 46,000 priests continue this legacy of care throughout 550 Catholic dioceses, where they are often the only providers of healthcare and education for the local community.

19 million children
are being educated in 45,088 schools

7,274 hospitals and clinics,
and 2,346 homes for the elderly and vulnerable

120,000 Sisters, Brothers and priests
serving their communities across Africa

Creating Real Change

Launched in 2014, Missio Invest drives change from within the vast network of the Church's humanitarian outreach. Missio Invest finances income-generating activities by unlocking the potential of the people who run them. The Missio Invest Social Impact Fund (MISIF) brings together investors and borrowers in a relationship of mutual transformation that values both scale and social impact.



Impact Areas

Resilience



Investment finances irrigation, clean energy and infrastructure to combat climate change



Sustainable farming practices promote environmental stewardship



Local food production reduces reliance on imported goods, the carbon footprint and protects against risks of supply chain disruptions

Shared Prosperity



Farm expansions create new local jobs



Investees provide communities with free training in agriculture and financial management



Farms purchase from local suppliers and provide affordable goods and services to local customers, bolstering regional economic growth

Food Security



Investments in capital equipment, strategic crop selection and improved farming methods drive higher yields



Irrigation enables year-round production and preserves water resources



Increased local production ensures availability of foods in times of crisis

Strengthened Church Entities

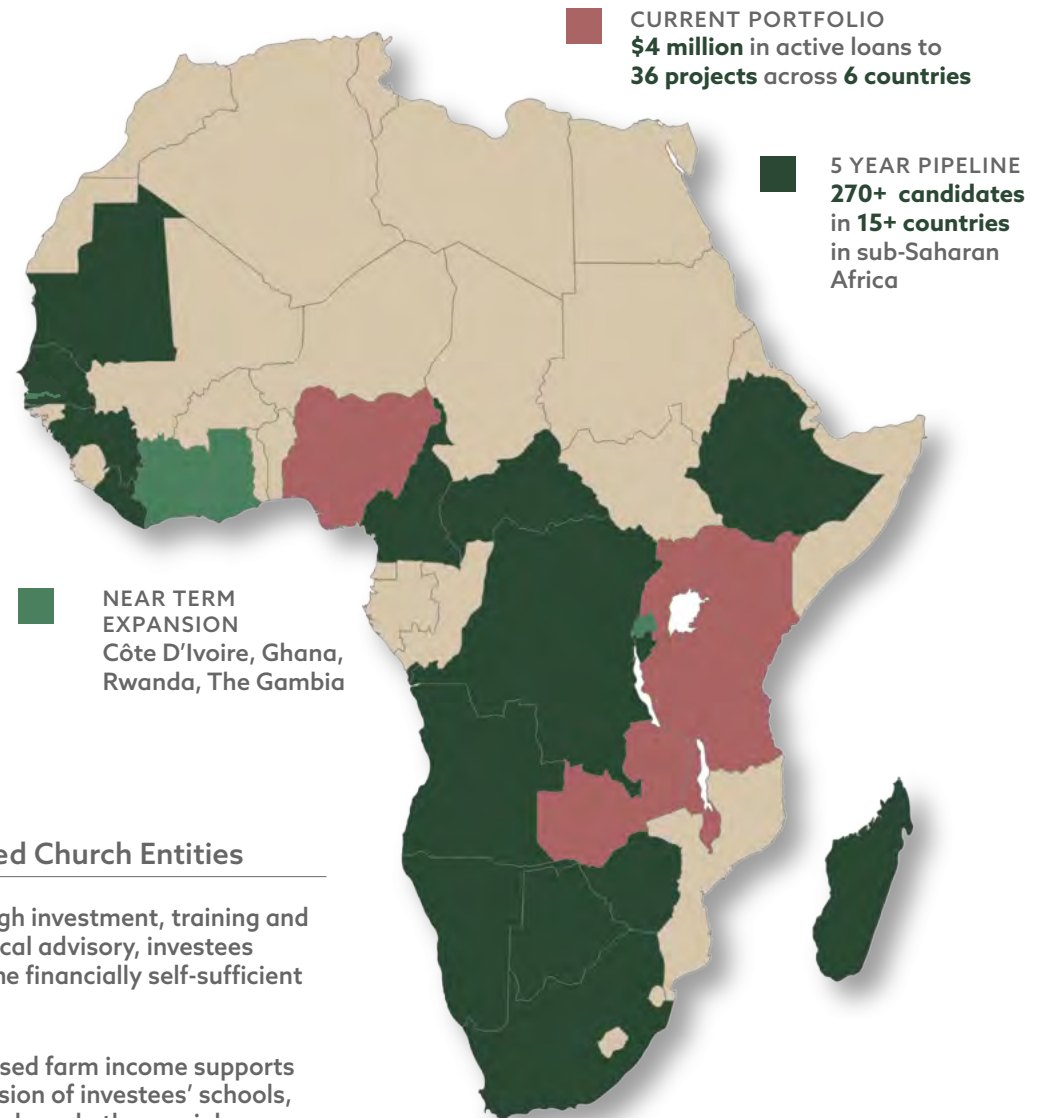


Through investment, training and technical advisory, investees become financially self-sufficient



Increased farm income supports expansion of investees' schools, hospitals and other social institutions

Where We Work



Farms Drive Economic and Environmental Change



over 1,800 local
jobs created



businesses borrowing are
**36% women-
operated & owned**



**9,700 acres of
sustainably
managed farmland**



training for
**3,600 farmers &
managers**



**20% increase in
farm productivity**



**13,000 trees
planted**

Church Entities Drive Social Change



Missio Invest's borrowers operate over

619
schools

94
healthcare facilities

200 other social
institutions

serving over

1,900,000
people annually

Caring for our Common Home



SPOTLIGHT

Katigondo Seminary Farm, Uganda

INVESTMENT (2017): \$ 171,100

Katigondo Seminary is the oldest higher institution of learning in Uganda, founded in 1911, as the first seminary south of the Sahara. It has a unique position in the Catholic Church, having educated 4,000 seminarians, 1,700 ordained priests and 27 bishops.

Katigondo Seminary farm, started in 1969, has grown into a diversified enterprise with crop farming, horticulture, and animal husbandry. Missio Invest's loan supported investments in a truck, tractor and a planter, allowing the farm to utilize 90% of its 495 acres of farmland and increase yields by 100%.

Environmental stewardship is integrated in all of its farming practices:

- **20 acres of trees** planted
- Soil conservation and intercropping on **62 acres**
- **36 KW solar system** installed

In his encyclical *Laudato si'*, Pope Francis called on all people to take action to care for our common home. Africa is the region most exposed to the effects of climate change, despite contributing only 2% of carbon emissions. Largely dependent on rainfed agriculture, droughts and floods have enormous impacts on livelihoods and food security. Harnessing Africa's abundant renewable resources and sustainable land use could greatly contribute to addressing Africa's climate change challenges.

Missio Invest's 6 seminary investees are creating courses on *Laudato si'* sustainable agriculture. This knowledge can be disseminated across the thousands of parishes in which these priests of tomorrow will serve.

Missio Invest introduces environmental practices

Each farm develops a targeted climate change mitigation strategy that includes:

Water conservation · Renewable energy · Recycling · Reforestation · Soil recuperation · Organic farming



13,000 trees planted



9,700 acres under sustainable management

*The project leader of Katigondo farm, Father Herman, received the **Uganda Best Farmer's Award for 2019** for Katigondo Seminary Farm's exemplary approach to sustainable farming.*





SHARED PROSPERITY

Creating Jobs, Creating Opportunities

Africa has the youngest population of the world, with over 40% under the age of 15. With more than half of sub-Saharan Africans working in agriculture, modernizing this sector has a crucial impact on employment levels, economic growth, and addressing demands of a growing population. Increased financial inclusion brings investments in businesses, creates jobs and reduces inequalities. Profits support investees' schools, hospitals and community outreach.

Missio Invest Portfolio Results



\$2,700,000 injected into local economies each year through salaries and supplier contracts



518 full-time employees, including 112 women



1,301 day laborers, including over 370 women now have stable income each year



70+ local suppliers supported by 36 investees

"The people who came were the most vulnerable, the people who had no options and who needed the work the most."

Father Boniface, Nyeri Hill Farm



SPOTLIGHT

Nyeri Hill Farm, Kenya

INVESTMENT (2019): \$ 720,000

Located on 3,500 acres in central Kenya, Nyeri Hill Farm has been a pillar of the community since 1904. The farm is owned by Archdiocese of Nyeri, which operates 23 social institutions, including 9 schools, a hospital and Kenya's largest seminary. The farm's main source of income is labor-intensive coffee plantations, but unpredictable availability of workers has impacted harvests and profits. Missio Invest's loan financed construction of on-site housing for coffee laborers, benefiting both the farm and the community. The farm gained a reliable workforce, and the local workers gained access to free housing, healthcare, and stable income. This enabled Nyeri Hill to sustain and expand its production, and the Archdiocese's 23 social institutions in turn.

- **268 laborers, including 115 women** and their families now have stable incomes

Nourishing Communities



SPOTLIGHT

Nazareth Sisters, Kenya

INVESTMENT (2016): \$ 30,662

Founded in 1955, the Nazareth Sisters of the Annunciation Congregation serve disadvantaged women and children with three schools, an elderly house, a Sisters' house, a home for disabled children and regular community workshops.

Their 15-acre farm in Ndekero, a semi-arid region, is challenged by insufficient rainfall. Missio Invest's loan funded a reliable water system and an expansion of their farming operation to allow production all year.

- **Year-round food production** with increased yields in all crops
- Introduction of **4 new crops** and animal husbandry
- **Increased food availability** for the community and social institutions serving over **1,800 people** annually

Addressing food and nutrition security is a priority reflected in Goal 2 of the UN Sustainable Development Goals with a call to end all hunger and malnutrition by 2030.

Improving food security depends entirely on enhancing farmers' resilience and productivity. Training, improved management, and sustainable agriculture methods not only increase yields, but also reduce poverty and mitigate climate change. In Missio Invest's portfolio, increased yields result in better nourishment for investees' communities, as well as for the 575,000 students educated in investees' schools and the 1.3 million patients served in their health facilities.

Missio Invest Portfolio Results



Introduction of **17 new crops**



Production doubled in the existing **25 crops and products**



30% growth in cultivated land as a result of investment

"The food is never enough. Whatever we get is not enough for all the people who need it."

Sister Mary Magdalene, Nazareth Sisters





STRENGTHENED CHURCH ENTITIES

Achieving Self-Sufficiency

Missio Invest has set a spirit of entrepreneurship in motion within communities that have traditionally relied on donations and grants.

Seeking lasting change, Missio Invest provides the priests and Sisters operating these small businesses with the training, technical assistance and investment capital needed to become self-sustaining. More reliable income and stronger financial management fuel expansion of existing institutions, which provide essential services to thousands of communities in need.

Missio Invest's portfolio supports



36 Congregations, Seminaries, and/or Dioceses have improved their finances and operations



190 community members and **36 Investees** provided with financial management training via an annual workshop and on-going online support

"We leave the supply of high quality grain to Marist Farm, and we can now concentrate on moulding the future generation and clergy."

- Mr. Amon Masanda

Headteacher, Mtendere Secondary School,
main client of Marist Farm produce



SPOTLIGHT

Marist Farm, Malawi

INVESTMENT (2017): \$ 106,517

The Marist Brothers, founded in 1817, provide holistic education to children, young and marginalized people in over 80 countries. In Malawi they operate 5 schools educating over 1,750 children. The 198 acres Marist Farm in Dedza, 74 km outside the capital Lilongwe has been running for 10 years. After a Missio Invest loan they have been able to bring in electricity, introduce water conservation and invest in technical equipment. As a result, the farm has more than doubled the number of acres cultivated, as well as added new crops, introduced perennial farming, and improved yields on existing crops through new technologies. They hired 11 full- and 100 part-time employees, and livestock now provide a reliable source of milk and protein for the schools and surrounding communities.

- **Self-reliance** of the farm with yearly income more than doubling

Fueling Social Change



SPOTLIGHT

Sisters of Child Jesus Farm, Zambia

INVESTMENT (2018): \$ 184,262

The Sisters of the Child Jesus (SCJ) are an indigenous order of Zambian religious with the motto of "Apostles to our own people," ministering largely in their own language, Bemba, in Zambia. There are currently 140 Sisters divided into 24 widely diverse communities, operating 6 health facilities and 15 schools.

The SCJ farms were created in 1978 as a way of growing nutritious food for both the Sisters and the beneficiaries of their many programs. The Missio Invest loan is part of an ambitious plan to become the leading local agricultural producer. Recent investments include creating 30 fish ponds and a piggery.

- Educating and providing for **5,000 students** annually in 15 schools
- Caring for **50,000 patients** in 6 health facilities yearly

Africa has the youngest and fastest growing population in the world. With investment in education, this demographic could be a force for change, contributing the equivalent of 1/3 of Africa's GDP over 30 years. The impact on poverty reduction and economic development for the continent will be substantial. Making the most of this demographic dividend will require investing in education and skills training, particularly for women and young people.

Creating jobs and opportunities for this powerful new generation in the high impact sectors of agribusiness and financial inclusion is a key success factor of Missio Invest's approach.

Missio Invest's portfolio supports



575,500 students educated in 619 schools



3,412 investee staff, smallholder farmers and community members trained in productivity enhancing Good Agricultural Practices



1.9 million people served in over 900 social facilities

"The farms of the SCJ are becoming the heart of the congregation, helping to fulfil our apostolic service of 'Apostles to our own people' by feeding the hungry and the abandoned people, creating employment to people both the youths and the old."

- Sister Mary Chilengwe, Project Leader



MISSIOINVEST

Blending Faith and Finance

Photo Credits

Front Cover - Vidal Nordli Mathisen

Page 4 - Jordan Rowland

Page 6 - Avel Chuklan

Page 7 - Gaston Roulstone

Page 8 - Jeff Ackleley

Page 11 - Bill Wegener

Page 12 - Rohan Reddy

missioinvest.org

Missio Invest
70 West 36th St., 8th Fl.
New York, NY 10018

info@missioinvest.org