



KosInvest Annual Report FY'13

I. Introduction / History

World Vision Kosovo moved to the development phase and started its MED program. First KosInvest was registered as a Micro Finance program in ex “Banking and Payment Authority of Kosovo – BPK, now Central Bank of Kosovo – CBK” in June 2001. And from January 2007 KosInvest was registered in Ministry of Public Services and CBK as a separate entity from World Vision Kosovo. The goal was to rebuild the agriculture sector and move towards a market-based economy, to support Kosovo communities in rural areas to increase economic self-sufficiency, income and employment; improve access to credit for all ethnic groups living in agriculture communities of Kosovo.

The municipality that KosInvest started to target first was Podujeva/Podujevo in northeastern Kosovo. World Vision has been working in this region for over seven years in Micro-lending, Shelter and Reconstruction, seed and fertilizer distribution, combine and tractor repair and distribution, Psycho-social Program, Health and Community Development activity and from February FY'05 KosInvest started its operations also in new area in Lipjan/Ljipljan multiethnic municipality. World Vision also has been working in this region for over five years in Kids for Peace Project, Youth Program and Community Development Activities. From December 2006 KosInvest started with disbursements of loans also in Rahovec/Orahovac multiethnic municipality where World Vision has been working for over five years and is currently working.

The methodology that KI started to use in October 2001 was group and individual lending. KosInvest implemented its new Village Association lending methodology in May 2003.

II. Who We Are and Wat We Do

Who We Are:

KosInvest is a Christian Micro Finance Institution dedicated to work for children, female, their families and communities providing financial and business development services.

Working in partnership with World Vision, the global Christian Relief, Development and Advocacy Organization, KosInvest is committed to long-term change, which will unlock potential for future generations.

KosInvest is one of the Microfinance Institutions of Vision Fund International, which is the microfinance subsidiary of World Vision International providing technical support and oversight to affiliated microfinance organizations.

Governance:

KosInvest started its operations in October 2001 by providing loans as a Micro Enterprise Development program of World Vision Kosovo. In January 2007 registered as a separate NGO under the Ministry of Public Administration, from its inception holding a license from the Central Bank of the Republic of Kosovo (CBK), to perform lending activities in Kosovo. Governed through Board of Directors

Who We Serve:

KosInvest provides financial and business development services to the marginalized and economically active poor families, for all communities of Kosovo. We serve all people regardless of ethnicity, religion, gender, race, political affiliation, disability, or health status.

Where we Serve:

KosInvest emphasizes peace building by improving access and links across ethnically divided markets. Actually KosInvest has three branches, Sub Branch -By two branches and three sub branches are covered 21 Kosovo municipalities

- **Mission**

KI works to improve the lives of children by offering small loans and other financial services to families living in poverty. Our work empowers our clients to grow successful businesses that can enable children to grow up with improved health and education. Working in partnership with World Vision, a Christian relief, development and advocacy organization, we are committed to long-term change that will unlock potential for future generations.

- **Vision**

“Our vision for every child, life in all its fullness. Our prayer for every heart, the will to make it so.”

KI vision is to be a financial institution that is:

- Respected by clients for its professionalism and service
- Respected by donors and creditors for its performance, transparency and development impact
- A fun team environment that allows employees space to develop and be innovative

We work to improve the lives of children living in poverty. Our services in the developing world unlock the potential for small businesses to grow. This can enable children to grow up with improved health and education, giving them the foundations to build a positive future.

We work to empower poor women and their families with small loans and other financial services. We help create real and lasting change by giving our clients, women and men, the training and support to run successful businesses that will provide a sustainable income.

We can help to unlock the potential for communities to thrive. Applying the principles of our Christian ministry we work together to provide the foundations for local economies to flourish in healthy and safe communities. “Improving the livelihoods of economically active poor families from all communities through high quality financial and business development services.”

- **Values**

“We place the highest value on professionalism, trust, integrity and transparency, and will strive to ensure that these values guide our institution in achieving our mission.”

KI Core Values:

We are Christian

We are Committed to the Poor

We value People

We are Stewards

We are Partners

We are Responsive

III. We Are Different

KosInvest provides individual loans through Village Association methodology. We go to where the need is; we provide our support to communities through on field assistance. Responsiveness is our strength. Staff members work with community to support with most appropriate loan as per clients requirement, and with the completion of the loan application documentation.

How Do We Measure Success

Our services aim to support economic progress in undeveloped areas. Most of our clients use loans for starting up and growing businesses, which create new jobs for their family members. The main part of

our portfolio is used for agriculture, but also includes other kinds of small businesses. More than 70% of our clients remain with us during the next loan cycles as their businesses become sustainable. We measure our success with % of female clients, number of children impacted and number of jobs impacted (created and sustained), and % of client's retention rate, which figures are showing growth trend in yearly basis"

KIVA Partner

Kiva funding is enabling KosInvest to provide financial access to a greater number of economically active, low-income ethnic groups living in Kosovo. KosInvest continues to work as a field partner with Kiva. Kiva has helped over 600 clients to start and improve different businesses. Through Kiva loans, our clients have had the opportunity to improve theirs and their family's living conditions.

Kiva is a US-based, non-profit organization, with a mission to connect people through lending to alleviate poverty. By leveraging the Internet and a worldwide network of microfinance institutions, Kiva allows people to lend money via the Internet to low-income / underserved entrepreneurs.

IV. Overall Statistics by December 2013

- Total # of children impacted since inception = 7.231
- Total # of female clients = 50%
- Total # of jobs created = 1.312
- Total # of jobs sustained = 2.125
- Loans disbursed (EURO) = 1.756.093
- Portfolio outstanding as of December 31 = 2.216.343 euro
- Active clients as of December 31 = 2058
- Average disbursed loan size = 1.357 euro
- Average outstanding loan balance per borrower = 1.077 euro
- Operational sustainability = 72%
- Financial sustainability = 69%

V. Kosovo Partners:

1. Vision Fund International (VFI)
2. World Vision International (WVI)
3. World Vision MEER
4. Ministry of Public Administration
5. Central Bank of Kosovo (CBK)
6. Association of Microfinance Institution of Kosovo (AMIK)
7. Micro Finance Center (MFC)
8. Microfinance Information Exchange (MIX)

9. Fondazione Giordano Dell'Amore (FGDA)
10. European Microfinance Network (EMN)
11. European Fund for Southeast Europe (EFSE)
12. Consultative Group to Assist the Poorest (CGAP)
13. KIVA
14. ResponsAbility
15. OikoCredit
16. Symbiotics
17. Data Protection Agency
18. USDA
19. SMART Campaign
20. "Crystal Clear Software Ltd"

- ***Updated Information***

Active Involvement in Local MFI Network

KI is member of Association of Microfinance Institutions of Kosovo (AMIK) since inception and is in good cooperation with all AMIK members and regularly is involved in all meetings and other activities organized by the association.